

**Joint Meeting of the  
Ventura County Medi-Cal Managed Care Commission (VCMMCC)  
dba Gold Coast Health Plan and the Compliance Oversight Committee**

**Regular Meeting**

**Monday April 24, 2023 2:00 p.m.**

Due to the public health emergency, the Community Room at Gold Coast Health Plan is currently closed to the public.

The meeting is being held virtually pursuant to AB 361.

Members of the public can participate using the Conference Call Number below.

**Conference Call Number: 1-805-324-7279**

**Conference ID Number: 317 515 041#**

**Para interpretación al español, por favor llame al: 1-805-322-1542 clave: 1234**

Due to the declared state of emergency wherein social distancing measures have been imposed or recommended, this meeting is being held pursuant to AB 361.

**AGENDA**

**CLERK ANNOUNCEMENT**

All public is welcome to call into the conference call number listed on this agenda and follow along for all items listed in Open Session by opening the GCHP website and going to **About Us > Ventura Country Medi-Cal Managed Care Commission > Scroll down to Commission Meeting Agenda Packets and Minutes**

**CALL TO ORDER**

**INTERPRETER ANNOUNCEMENT**

**OATH OF OFFICE**

**Melissa Livingston**

**ROLL CALL**

## **PUBLIC COMMENT**

The public has the opportunity to address Ventura County Medi-Cal Managed Care Commission (VCMMCC) and Committee doing business as Gold Coast Health Plan (GCHP) on the agenda.

Persons wishing to address VCMMCC and Committee are limited to three (3) minutes unless the Chair of the Commission extends time for good cause shown. Comments regarding items not on the agenda must be within the subject matter jurisdiction of the Commission and Committee.

Members of the public may call in, using the numbers above, or can submit public comments to the Commission and Committee via email by sending an email to [ask@goldchp.org](mailto:ask@goldchp.org). If members of the public want to speak on a particular agenda item, please identify the agenda item number. Public comments submitted by email should be under 300 words.

## **CONSENT**

1. **Approval of Ventura County Medi-Cal Managed Care Regular Commission meeting minutes of February 27, 2023, and Special Commission meeting of March 27, 2023.**

Staff: Maddie Gutierrez, MMC Clerk to the Commission

RECOMMENDATION: Approve the Regular Meeting Minutes of February 27, 2023, and Special Commission meeting of March 27, 2023.

2. **Findings to Continue to Hold Remote Teleconference/Virtual Commission and Committee Meetings Pursuant to Assembly Bill 361.**

STAFF: Scott Campbell, General Counsel

RECOMMENDATION: It is recommended that the Committee and Commission should make the findings and determine that teleconferencing under AB361 will promote and protect the public's health, safety and welfare.

## **UPDATES**

### **3. Member Incentive Program Growth**

Staff: Felix L. Nunez, M.D., Chief Medical Officer  
Kim Timmerman, Senior Director of Quality Improvement  
Susana Enriquez-Euyoque, Director of Communications

**RECOMMENDATION:** GCHP recommends Commission support of GCHP's member incentive program and its continued growth.

## **PRESENTATIONS**

### **4. Keeping Our Medi-Cal Members Enrolled in Coverage**

Staff: Marlen Torres, Executive Director of Strategy & External Affairs

**RECOMMENDATION:** Receive and file the presentation.

## **FORMAL ACTION**

### **5. Quality Improvement Committee 2023 First Quarter Report**

Staff: Felix L. Nuñez, MD, MPH, Chief Medical Officer  
Kim Timmerman, Sr. Director of Quality Improvement

**RECOMMENDATION:** Approve the 2023 Quality Improvement and Health Equity Transformation Program Description (QIHETPD) and 2023 Quality Improvement and Health Equity Transformation Work Plan (QIHETWP) as presented. Receive and file the complete report as presented.

### **6. February and March 2023 Financials**

Staff: Jamie Louwerens, Sr. Director of Finance

**RECOMMENDATION:** Staff requests that the Commission approve the February and March 2023 financial package.

## **REPORTS**

### **7. Chief Executive Officer (CEO) Report**

Staff: Nick Liguori, Chief Executive Officer

RECOMMENDATION: Receive and file the report.

### **8. Chief Medical Officer (CMO) Report**

Staff: Felix Nuñez, MD, Chief Medical Officer

RECOMMENDATION: Receive and file the report.

### **9. Human Resources (H.R.) Report**

Staff: Michael Murguia, Executive Director of Human Resources

RECOMMENDATION: Receive and file the report.

## **CLOSED SESSION**

### **10. PUBLIC EMPLOYMENT**

Title: Chief Financial Officer

### **11. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: One case.

## **ADJOURNMENT**

Date and location of the next meeting to be determined at the May 22, 2023, Regular Commission Meeting

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Administrative Reports relating to this agenda are available at 711 East Daily Drive, Suite #106, Camarillo, California, during normal business hours and on <http://goldcoasthealthplan.org>. Materials related to an agenda item submitted to the Committee after distribution of the agenda packet are available for public review during normal business hours at the office of the Clerk of the Commission.

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact (805) 437-5512. Notification for accommodation must be made by the Monday prior to the meeting by 1:00 p.m. to enable the Clerk of the Commission to make reasonable arrangements for accessibility to this meeting.

## **AGENDA ITEM NO. 1**

TO: Ventura County Medi-Cal Managed Care Commission  
FROM: Maddie Gutierrez, MMC, Clerk for the Commission  
DATE: April 24, 2023  
SUBJECT: Regular Commission Meeting Minutes of February 27, 2023

### **RECOMMENDATION:**

Approve the minutes.

### **ATTACHMENT:**

Copy of Minutes for the February 27, 2023, Regular Commission Meeting and Special Commission meeting minutes of March 27, 2023.

**Ventura County Medi-Cal Managed Care Commission (VCMMCC)  
Commission Meeting  
Regular Meeting via Teleconference**

**February 27, 2023**

**CALL TO ORDER**

Committee Chair Dee Pupa called the meeting to order at 2:03 pm via teleconference. The Clerk of the Board was in the Community Room located at Gold Coast Health Plan, 711 East Daily Drive, Camarillo, California.

**INTERPRETER ANNOUNCEMENT**

Ana Rangel, interpreter, gave her announcement for non-English speakers.

**ROLL CALL**

Present: Commissioners Anwar Abbas, Allison Blaze, M.D., James Corwin, Supervisor Vianey Lopez, Dee Pupa, Sara Sanchez, and Scott Underwood, D.O.

Absent: Commissioners Shawn Atin, Laura Espinosa, Anna Monroy, and Jennifer Swenson.

Attending the meeting for GCHP were Nick Liguori, Chief Executive Officer, Alan Torres, Chief Information Officer, CPPO Erik Cho, Marlen Torres, Executive Director, Strategy and External Affairs, Michael Murguia, Executive Director, Human Resources, Felix Nunez, M.D., Chief Medical Officer, Robert Franco, Chief Compliance Officer, Susana Enriquez-Euyoque, Leeann Habte, and Scott Campbell, General Counsel.

Also in attendance were the following GCHP Staff: Anna Sproule, Nicole Kanter, Bob Bushey, Jamie Louwerens, Rachel Lambert, Carolyn Harris, Adriana Sandoval, Lisbet Hernandez, Lucy Marrero, Lupe Gonzalez, Mayra Hernandez, David Tovar, Lily Yip, Vicki Wrighster, Jeff Yargas, Erin Slack, Kris Schmidt, Josephine Gallella, Shivani Pillay, Paula Cabral, and Valerie Paz.

HealthEdge Guests: Rob Armstrong, Matthew Francis, and Rob Renzi

**OATH OF OFFICE** Supervisor Vianey Lopez took her Oath of Office.

**PUBLIC COMMENT**

None.

Commissioner Laura Espinosa joined the meeting at 2:07 p.m.



## **CONSENT**

- 1. Approval of Ventura County Medi-Cal Managed Care Regular Commission meeting minutes of January 23, 2023, and Special Commission meeting minutes of February 6, 2023.**

Staff: Maddie Gutierrez, MMC Clerk to the Commission

**RECOMMENDATION:** Approve the Regular Meeting Minutes of January 23, 2023, and Special Commission meeting of February 6, 2023.

Commissioner Sanchez motioned to approve Consent item 1. Commissioner Espinosa seconded the motion.

Roll Call Vote as follows:

**AYES:** Commissioners Anwar Abbas, Allison Blaze, M.D., James Corwin, Laura Espinosa, Supervisor Dee Pupa, Sara Sanchez, and Scott Underwood, D.O.

**NOES:** None.

**ABSTAIN:** Supervisor Vianey Lopez abstained from the vote.

**ABSENT:** Commissioners Shawn Atin, Anna Monroy, and Jennifer Swenson.

The clerk declared the motion carried.

## **PRESENTATIONS**

- 2. Leading Into the Future: Transportation Progress**

Staff: Erik Cho, Chief Programs & Policy Officer

**RECOMMENDATION:** Receive and file the presentation.

Chief Program & Policy Officer, Erik Cho

CPPO Cho reviewed the topics he would be discussing. He started with GCHP transportation statistics. There is a need to improve transportation for our members. CPPO Cho also noted there is an internal GCHP Transportation Steering Committee, and we are currently looking for a consultant who will assist in helping us provide the best transportation we can provide, and that our members need.



14 % of our total grievances are related to transportation. He noted that DHCS has an increased focus on transportation, and we have added transportation to our operational reviews and goals for our Model of Care.

CPPO Cho also reviewed the goals of the GCHP Steering Committee. The Transportation Oversight Committee gives an immediate 360-degree feedback loop, allows for direct partnership to improve vendor processes, daily operation oversight meetings with the transportation vendor, and identifies additional training opportunities which can be implemented immediately.

Provider engagement focuses on transportation during all provider relations site visits, which includes dialysis centers and long-term care facilities. GCHP and VTS hold regular meetings with several of our providers to improve the transportation program and to also measure progress. GCHP and VTS meet twice monthly to discuss opportunities for improvement and progress toward goals. CPPO Cho also reviewed the connection to Care Management and transportation, which includes ensuring members are getting the rides they need and follow up to ensure rides are scheduled and on time.

CPPO Cho also reviewed the internal process alignment – this includes a transportation liaison, internal collaboration, and communication. GCHP is seeking to work quickly with an expert consultant to develop next steps and a roadmap for high-performing non-emergency medical transportation. We are partnering with procurement to develop an appropriate process for consultant selection. The selection will be made based on quality of plan, quality of team, clearly defined objectives, and price.

Commissioner Espinosa requested an example of grievances. Anna Sproule, Executive Director of Operations, stated late arrivals, and last-minute cancellations, as well as the professionalism of drivers are some examples. Commissioner Pupa stated some members worry that drivers will leave them.

Commissioner Jennifer Swenson joined the meeting at 2:30 p.m.

CEO Liguori stated GCHP is focused on building a health plan for those in most need. We want more to have access to care – we need to meet the needs of the most vulnerable.

Commissioner Swenson motioned to approve agenda item 2. Commissioner Underwood seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, Allison Blaze, M.D., James Corwin, Laura Espinosa, Supervisor Vianey Lopez, Dee Pupa, Sara Sanchez, Jennifer Swenson, and Scott Underwood, D.O.

NOES: None.





ABSENT: Commissioners Shawn Atin, and Anna Monroy,

The clerk declared the motion carried.

### **FORMAL ACTION**

#### **3. In-Person and Teleconferencing Meeting Options under the Ralph M. Brown Act and Assembly Bills 361 and 2449.**

Staff: Scott Campbell, General Counsel

**RECOMMENDATION:** That the Commission provide staff with direction as to how the Commission wishes to proceed with Commission meetings going forward.

Scott Campbell, General Counsel, reviewed the current AB361 guidelines for public meetings. Staff is asking the Commission if they want to meet in in person or continue virtual meetings. If the meetings continue to be virtual, Commissioners who are calling in must post the agenda at their home or office and must allow the public to have access to attend.

Commissioner Pupa stated this is an important discussion. Interpretations for guidelines are different. Mr. Campbell reviewed the options: 1) Meetings would resume prior to COVID. Mr. Campbell noted that the current statute provides that the state of emergency does exist, and the State requires social distancing. We must either continue monthly meetings (every 30 days) to vote on continuing virtual meetings or we can go back to in-person meetings. Mr. Campbell noted Just Cause can be used two times per year, and only in an emergency. If the Commission chooses to utilize Just Cause, there must be a quorum in person, with camera on and announce who is present or case by case basis.

Commissioner Corwin stated he would like to continue to meet virtually until end of year. Mr. Campbell reminded all that Cal OSHA has regulations on social distancing. Commissioner Corwin stated he is comfortable posting from his location, although in-person provides for better dynamics.

Commissioner Pupa stated she is a people person and believes it is beneficial to have in-person meetings, but attendance is better remotely. Mr. Campbell stated the Commission can post and meet remotely. We will have the Community Room available for those who want to attend in person, and if technology is ready.

Commissioner Abbas stated he often has conflicts and back-to-back meetings, and he would like the option for remote and/or in-person. Commissioner Blaze stated she prefers remotely due to her schedule. Commissioner Corwin stated the target would be to meet in person but have remote as an option. Commissioner Swenson stated calendars need to be adjusted and she (personally) has a long commute. She would prefer to continue virtual meetings until end of year.



Commissioner Corwin motioned that the Commission reconsider the State of Emergency official recommendation for social distancing. Mr. Campbell stated the agenda notice would be adjusted to list locations for remote attendance and attendance in person.

Commissioner Corwin motioned to approve agenda item 3. Commissioner Abbas seconded the motion.

Roll Call Vote as follows:

**AYES:** Commissioners Anwar Abbas, Allison Blaze, M.D., James Corwin, Laura Espinosa, Supervisor Vianey Lopez, Dee Pupa, Sara Sanchez, Jennifer Swenson, and Scott Underwood, D.O.

**NOES:** None.

**ABSENT:** Commissioners Shawn Atin, and Anna Monroy,

The clerk declared the motion carried.

#### **4. Contract Approval – Claims Processing Software**

Staff: Alan Torres, Chief Information Officer

**RECOMMENDATION:** It is the Plan's recommendation that the Commission waive any irregularities in HealthEdge's proposal and authorize the CEO to execute a contract with HealthEdge Software Inc., subject to non-material terms to be agreed upon and acceptable to the CEO and General Counsel. The term of the contract will be 16 months of implementation and 6 years of production commencing March 1, 2023, and expiring on June 30, 2030, for an amount not to exceed \$19.5M.

Chief Information Officer, Alan Torres, gave background information on the Claims Processing Software. He noted that this software will advance GCHP core capabilities. The Core Administration is the backbone of the health plan, this includes claims processing and payments.

The RFP was a rigorous process, and the recommendation is to move forward with HealthEdge. CIO Torres reviewed the process. We had fourteen vendors and those were narrowed down to six which submitted a formal bid. It was then narrowed down to three vendors. He also reviewed scores, demonstrations, qualitative value, and price.

General Counsel, Scott Campbell noted there was no challenge. Conduent did not file a bid protest. He also stated that both CEO Liguori and Executive Director of Operations, Anna Sproule flew out to meet with Conduent and explain why GCHP was not going to continue with them. The meeting was amicable, and it was a good ending with this vendor.



Commissioner Espinosa stated this was a great bidding process and thanked staff for taking time to meet with Conduent. Commissioner Pupa stated it was a huge undertaking by staff. RFPs are complex.

Commissioner Espinosa motioned to approve agenda item 4. Commissioner Pupa seconded the motion.

Roll Call Vote as follows:

**AYES:** Commissioners Anwar Abbas, Allison Blaze, M.D., James Corwin, Laura Espinosa, Supervisor Vianey Lopez, Dee Pupa, Sara Sanchez, Jennifer Swenson, and Scott Underwood, D.O.

**NOES:** None.

**ABSENT:** Commissioners Shawn Atin, and Anna Monroy,

The clerk declared the motion carried.

## **5. January 2023 Financials**

Staff: Jamie Louwerens, Sr. Director of Finance

**RECOMMENDATION:** Staff requests that the Commission approve the January 2023 financial package.

Senior Director of Finance, Jamie Louwerens, gave the financial overview for the month of January 2023. January had a net gain of \$18.7 million. Fiscal Year to Date net gain is \$88.0 million. TNE is currently 818% of the minimum required. Medical loss ratio is 77.5% and administrative ratio is 7.3%. It is not believed we are the only Health Plan experiencing financial favorability due to increased funding and lower acuity membership; therefore, the finance team is currently working on a historical comparison on how we compare to other health plans through the PHE. The analysis will be provided at the April Commission meeting.

Membership trends are still increasing. FYTD net premium revenue is \$564.7 million unfavorable to budget by \$3.8 million primarily due to \$2.5 million - timing of vaccine incentive and CalAIM incentive receipts versus budget, \$2.2 million - ECM Risk Corridor adjustments not in budget, \$1.6 million - MCO Tax unfavorable to budget, which is offset by \$2.5 million cyclical year 2023 rates more favorable than budgeted.

Medical loss ratio is 77.5%, which is a 7.7% budget variance. Commissioner Corwin asked if the 7.7% variance is for the better or for the worse. Ms. Louwerens stated it was for the better.



Continuation of PHE through 2022 and pause on redeterminations has led to a significant increase in membership with a less acute total population as compared to how we budgeted our medical expenses for FY2022-2023.

Ms. Louwerens reviewed IBNR. Commissioner Pupa stated she has had concerns on IBNR and is glad to see it is trending down.

Commissioner Corwin motioned to approve agenda item 5. Commissioner Abbas seconded the motion.

Roll Call Vote as follows:

**AYES:** Commissioners Anwar Abbas, Allison Blaze, M.D., James Corwin, Laura Espinosa, Supervisor Vianey Lopez, Dee Pupa, Sara Sanchez, Jennifer Swenson, and Scott Underwood, D.O.

**NOES:** None.

**ABSENT:** Commissioners Shawn Atin, and Anna Monroy,

The clerk declared the motion carried.

## **REPORTS**

### **6. Chief Executive Officer (CEO) Report**

Staff: Nick Liguori, Chief Executive Officer

**RECOMMENDATION:** Receive and file the report.

CEO Liguori asked Executive Director of Strategy & External Affairs, Marlen Torres, to review her section of the CEO report. Ms. Torres stated staff is developing a plan to ensure undated information and is working with various partners and HAS on re-determination.

Ms. Torres also announced that the PAC (Provider Advisory Committee) has lost their quorum, and staff is beginning the recruitment process. Recommendations will be presented to Commission. Staff anticipated the PAC will start up again in June of 2023.

Ms. Torres gave a high-level review of State proposed health care investments, and a California legislative update, as well as a Community Relations update. She highlighted that the Community Insight Coalition has come together virtually to identify and address barriers members may have when accessing care and community resources. The goal is to work with community partners and address shared challenges to strengthen our community.



Vicki Wrighster, Sr. Director of Network Operations, gave an update on Provider Network Contracting initiatives. She noted the State is splitting the certification process into two parts.

On 1/20/2023 there was a global CalAIM webinar, which was a detailed webinar providing significant State requirements.

CEO Liguori reviewed Delegation Oversight. GCHP is contractually required to perform oversight of all functions delegated through subcontracting arrangements. Oversight includes, but not limited to monitoring/reviewing routine submissions from subcontractors, conducting onsite audits, and issuing CAPs (Corrective Action Plan) when deficiencies are identified. CEO Liguori reviewed the audit table and CAPs that are open and closed. He also gave an overview of Grievance and Appeals – data shows GCHP's volume of grievances has increased. More information will be presented in Closed Session of this Commission meeting.

## **7. Chief Medical Officer (CMO) Report**

Staff: Felix Nunez, M.D., Chief Medical Officer

**RECOMMENDATION:** Receive and file the report.

Chief Medical Officer, Felix Nunez, M.D. gave is Onboarding update. He reviewed his focus since assuming the responsibilities of CMO. He will be developing the health services department with more collaboration both internally and externally. Focus is also on meeting the needs of members as well as CalAIM initiatives and ECM and Community Supports.

Commissioner Espinosa asked about the notification received from Beacon on a name change. CMO Nunez stated only the name is changing and it will not affect members. Beacon is re-branding and services will be better for our members. Commissioner Espinosa stated she would like an update in the future

## **8. Chief Diversity Officer (CDO) Report**

Staff: Ted Bagley, Chief Diversity Officer

**RECOMMENDATION:** Receive and file the report.

Commissioner Pupa motioned to approve agenda items 6, 7 and 8. Commissioner Abbas seconded the motion.



Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, Allison Blaze, M.D., James Corwin, Laura Espinosa, Supervisor Vianey Lopez, Dee Pupa, Sara Sanchez, Jennifer Swenson, and Scott Underwood, D.O.

NOES: None.

ABSENT: Commissioners Shawn Atin, and Anna Monroy,

The clerk declared the motion carried.

### **CLOSED SESSION**

#### **9. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: One case.

The Commission entered Closed Session at 3:45 p.m.

### **ADJOURNMENT**

General Counsel Scott Campbell stated there was no reportable action.

### **ADJOURNMENT**

The meeting was adjourned at 4:38 p.m.

Approved:

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Maddie Gutierrez, MMC  
Clerk to the Commission

**Ventura County Medi-Cal Managed Care Commission (VCMCC)  
Commission Meeting  
Special Meeting via Teleconference**

**March 27, 2023**

**CALL TO ORDER**

Committee Chair Dee Pupa called the meeting to order at 2:10 pm via teleconference. The Clerk of the Board was in the Community Room located at Gold Coast Health Plan, 711 East Daily Drive, Camarillo, California.

**ROLL CALL**

Present: Commissioners Anwar Abbas, Allison Blaze, M.D., James Corwin, Supervisor Vianey Lopez, Dee Pupa, Sara Sanchez and Scott Underwood, D.O.

Absent: Commissioners Shawn Atin, Laura Espinosa, Melissa Livingston, Anna Monroy, and Jennifer Swenson

Attending the meeting for GCHP were Nick Liguori, Chief Executive Officer, Marlen Torres, Executive Director, Strategy and External Affairs, Veronica Estrada, Lupe Gonzalez, Susana Enriquez-Euyoque, and Scott Campbell, General Counsel. Also attending was Spanish interpreter, Ana Rangel.

**PUBLIC COMMENT**

None.

**CONSENT**

- 1. Joint Findings to Continue to Hold Remote Teleconference/Virtual Commission and Committee Meetings Pursuant to Assembly Bill 361.**

Staff: Scott Campbell, General Counsel

RECOMMENDATION: It is recommended that the Commission and Committee should make the findings and determine that teleconferencing under AB361 will promote and protect the public's health, safety, and welfare.

Commissioner Pupa motioned to approve Consent item 1. Commissioner Abbas seconded the motion.



Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, Allison Blaze, M.D., James Corwin, Supervisor Vianey Lopez, Dee Pupa, Sara Sanchez and Scott Underwood, D.O.

NOES: None.

ABSENT: Commissioners Shawn Atin, Laura Espinosa, Melissa Livingston, Anna Monroy, and Jennifer Swenson

The clerk declared the motion carried.

### **ADJOURNMENT**

Commission Chair, Dee Pupa, announced the meeting was adjourned at 2:13 p.m.

Approved:

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Maddie Gutierrez, MMC  
Clerk to the Commission



## **AGENDA ITEM NO. 2**

**TO:** Ventura County Medi-Cal Managed Care Commission and Compliance Oversight Committee

**FROM:** Scott Campbell, General Counsel

**DATE:** April 24, 2023

**SUBJECT: Findings to Continue to Hold Remote Teleconference/Virtual Commission and Committee Meetings Pursuant to Assembly Bill 361**

### **SUMMARY/RECOMMENDATION:**

At their February 27, 2023 joint meeting, the Ventura County Medi-Cal Managed Care Commission (“Commission”) dba as Gold Coast Health Plan (“Plan”) and the Compliance Oversight Committee (“Committee”) adopted findings to continue to meet remotely pursuant to Assembly Bill 361. To continue this practice, it is required, that the Commission and Committee determine that they have considered the facts of the COVID-19 state of emergency in deciding to continue to have teleconference meetings under AB 361 and that state officials have imposed or recommended measures to promote social distancing in connection with COVID-19 and that as a result of these considerations and findings, meeting in person or pursuant to traditional teleconferencing rules would impose risks to the health or safety of attendees and that teleconference meetings under AB 361 should continue.

### **BACKGROUND/DISCUSSION:**

Traditionally, the Brown Act allows for teleconference or virtual meetings, provided that the physical locations of the legislative body’s members joining by teleconference are posted on the agenda, that those locations are open to the public and that a quorum of the members is located within its jurisdiction. AB 361 provides an exception to these procedures in order to allow for fully virtual meetings during and after proclaimed emergencies, including the COVID-19 pandemic. Now that the state and county state of emergency declarations are over, the Commission and Committee may continue to meet remotely pursuant to AB 361 if it makes both of the following findings:

- The Commission and Committee have reconsidered the circumstances of the prior states of emergencies; and
- State officials continue to impose or recommend measures to promote social distancing.

COVID-19 continues to present a threat to the health and safety of Commission and Committee members, and its personnel. Although vaccines are now widely available, many people in the State and County are still not fully vaccinated and remain susceptible to infection and the vaccinations have not proven successful in stemming the spread of COVID-19. According to the State of California's COVID-19 Dashboard, updated on April 13, 2023, there are an average of 1376 new cases statewide each day, 19 in Ventura County, and an average of 15 deaths statewide per day. Additionally, several Commissioners and Committee members attend meetings in medical facilities or offices, and allowing members of the public to attend meetings at these posted locations when they may not be vaccinated would pose a threat to the health or safety of attendees. Further, on February 3, 2023, a new set of non-emergency COVID-19 prevention regulations were issued by Cal/OSHA which carry over some of the same requirements imposed by earlier regulations, including social distancing measures. These new measures will continue to be imposed, unless changed, until February 3, 2025. Thus, facts supporting the continued findings exist.

As such, it is recommended that the Committee and Commission should make the findings and determine that teleconferencing under AB 361 will promote and protect the public's health, safety and welfare.

#### **CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION:**

The Commission and Committee will have to follow the Brown Act provisions that existed prior to the COVID-19 pandemic.

#### **FOLLOW UP ACTION:**

That the Commission and Committee make the findings under AB361 at their joint May 22, 2023 meeting.

#### **ATTACHMENT:**

None.

### **AGENDA ITEM NO. 3**

**TO:** Ventura County Medi-Cal Managed Care Commission

**FROM:** Felix L. Nunez, M.D., Chief Medical Officer  
Kim Timmerman, Senior Director of Quality Improvement  
Susana Enriquez-Euyoque, Director of Communications

**DATE:** April 24, 2023

**SUBJECT:** Member Incentive Program Growth

#### **SUMMARY:**

Gold Coast Health Plan's incentive program rewards members with gift cards to popular retailers for completing important annual screenings. The incentives are an important tool for ensuring our members receive preventive care and services. They also help improve quality scores on Managed Care Accountability Set (MCAS) measures. Examples of some impacts of the program are set forth below:

- In 2022, members 5-64 years of age who completed an office or telehealth visit that included an asthma exam, a new or updated Asthma Action Plan, and an assessment of asthma medication received a \$40 gift card to Amazon, Target, or Walmart. The incentive helped push GCHP's performance on the Asthma Medication Ratio (AMR) measure 2.04 percentage points, from 51.22% in measurement year (MY) 2021 to 53.26% in MY 2022.
- Mailings to members during their birthday month informing them of the \$20 incentive for completing a child and adolescent well-care visit (WCV) rate helped increase performance on the measure by 7.08 percentage points, from 33.87% in MY 2021 to 41.02% in MY 2022.
- An end-of-year incentive mailing promoting a \$40 incentive and encouraging female members 50 to 74 years of age to complete a breast cancer screening before the end of the year resulted in an increase of 1.96 percentage points, from 52.78% in MY 2021 to 54.74% MY 2022.

GCHP's Quality Improvement (QI) Team has expanded the incentive program to include point-of-care (POC) gift card distribution programs at local clinics for cervical cancer screenings and well-child visits. The team also held a Clinic Incentive Program to award clinics on a quarterly basis for having the highest submission of member incentive forms.

Through 2023, the QI Team will continue to expand the member incentive program by adding new incentives for different measures. The team will also expand the POC program in collaboration with other clinics.

**FINANCIAL IMPACT:**

GCHP is on pace to spend \$150,000 on direct member incentives during FY 2022-23 and anticipates doubling the incentives in FY 2023-24. The projected spend is \$900,000 over three years.

**RECOMMENDATION:**

GCHP recommends Commission support of GCHP's member incentive program and its continued growth.

**AGENDA ITEM NO. 4**

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Marlen Torres, Executive Director of Strategy & External Affairs

DATE: April 24, 2023

SUBJECT: **Keeping Our Medi-Cal Members Enrolled in Coverage**

**PowerPoint with  
Verbal Presentation**

**ATTACHMENTS:**

*Keeping Our Medi-Cal Members Enrolled in Coverage*

# Medi-Cal Continuous Coverage

Monday, April 24, 2023

Leadership Team

# Agenda

## ❖ Overview

## ❖ Outreach Strategy

1. Communications
2. Community Engagement
3. Provider Engagement
4. Member Engagement

# Initiative Imperatives and Goals

## ❖ Imperatives

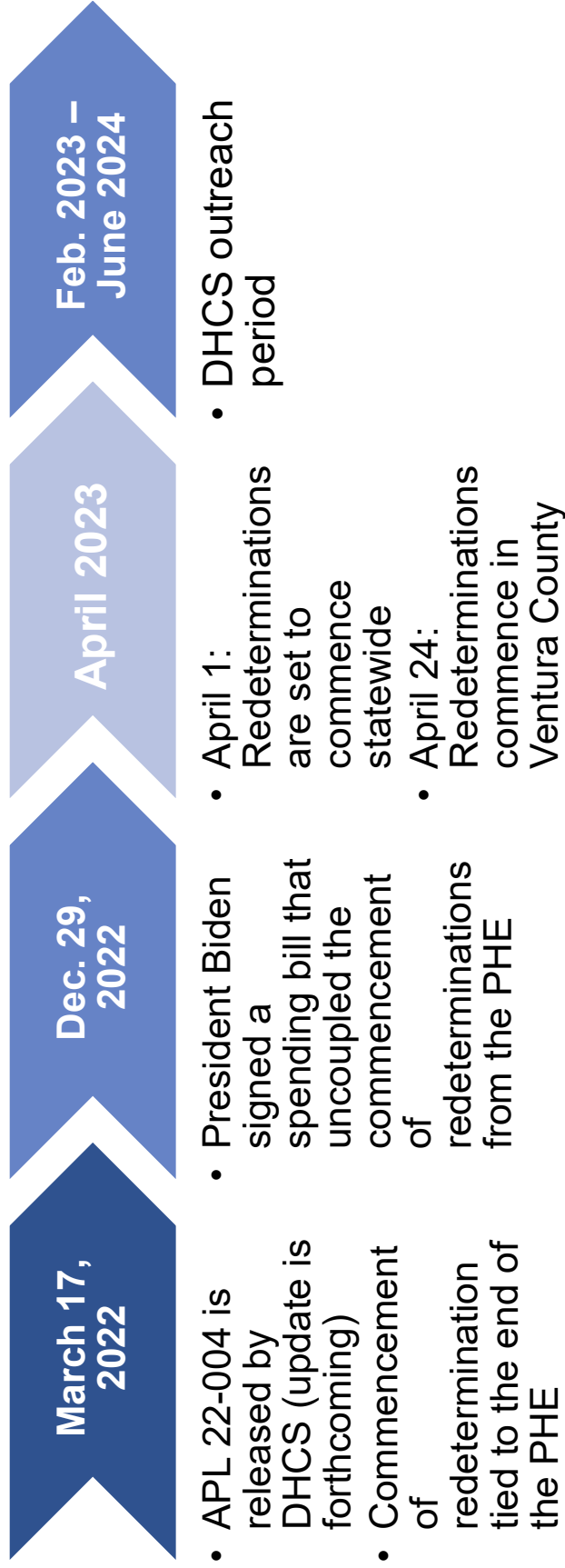
1. Implement a unified communications campaign to raise awareness and drive action among members
2. Equip partners with information and resources to convey information authentically and credibly
3. Utilize data-driven methods to engage members who are at risk of losing coverage

## ❖ Goals

1. Support Medi-Cal renewals and Medi-Cal enrollment for newly eligible individuals
2. Raise awareness about the need to renew Medi-Cal coverage and support members to take the steps needed to do so
3. Engage Community and Provider network to increase outreach and strengthen messaging



# Regulatory Guidance

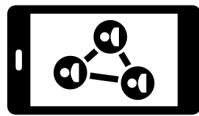


# Communication Channels



## GCHP website alert banner:

Members: Has your contact information changed? Give the Ventura County Human Services Agency your updated contact information so you can stay enrolled. Learn more English (English link: <https://vchsa.org/csd-submit/en>) / Spanish (Spanish link: <https://vchsa.org/csd-submit/es>) BenefitsCal.com



## Social Media:



## Member newsletter:

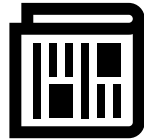


## Medi-Cal updates

Medi-Cal beneficiaries: It's important to respond to county requests to update your information. This includes renewal packets.

Doing so makes sure the county has the most up-to-date information it needs to renew your coverage. It also helps to see if you qualify for no-cost or lower-cost coverage.

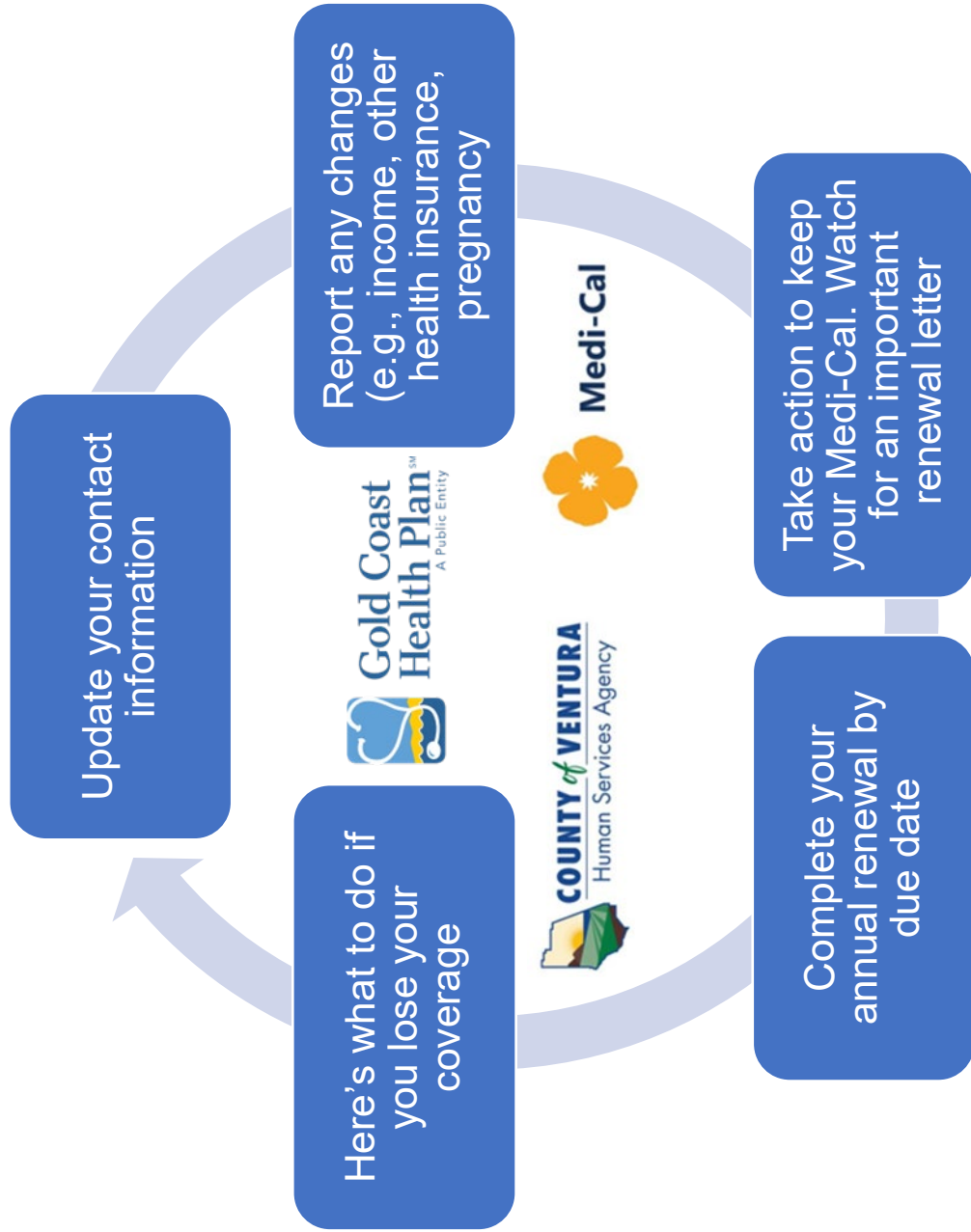
Call the Human Services Agency at **1-888-472-4463**, Monday through Friday, from 8 a.m. to 5 p.m. If you use a TTY, call **1-800-735-2929**.



## Awareness advertising campaign:

Proposed timeline: May 2023 – June 2024

# Messaging



# Community Outreach and Engagement Strategy:

## April 2022 – June 2024



### Presentations

CBOs

Schools

Providers

Collaborative  
Meetings

### Paid / Earned Media

Press Releases

Newspaper, Radio,  
Digital Ads

Radio Interviews

Social Media  
Platforms

### Community Events

Festivals

Community  
Resource Fair

Sporting Events

School Events

### Community Leaders

Elected Officials

City Officials

Human Services  
Agency

CAC, PAC, CalAIM

# Communications Timeline: July - December

## July 2023

- GCHP member newsletter
- Digital, newspaper, radio ads
- Radio interviews
- Social media posts
- Community outreach events

## Sept. 2023

- GCHP community newsletter
- Digital, newspaper, radio ads
- Radio interviews
- Social media posts
- Community outreach events

## Nov. 2023

- Digital, newspaper, radio ads
- Radio interviews
- Social media posts
- Community outreach events

## Aug. 2023:

- Digital, newspaper, radio ads
- Radio interviews
- Social media posts
- Community outreach events

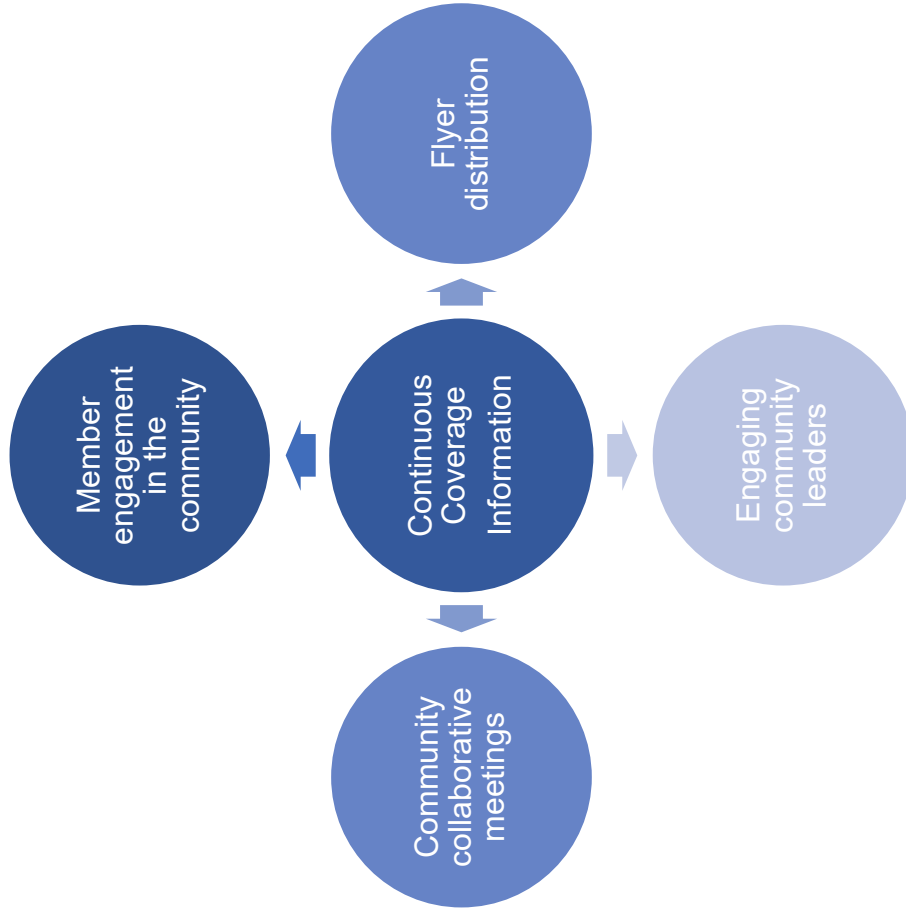
## Oct. 2023

- Digital, newspaper, radio ads
- Radio interviews
- Social media posts
- Community outreach events

## Dec. 2023

- Digital, newspaper, radio ads
- Radio interviews
- Social media posts
- Community outreach events

# Community Engagement: April 2022-to present



**MEDI-CAL BENEFICIARIES**

## Take action to keep your Medi-Cal!

Watch for an important renewal letter coming soon.

## Keep Your Medi-Cal

Don't miss important information about your Medi-Cal health coverage. Make sure that Ventura County has your current contact information.

	<input type="text"/>		<input type="text"/>
	<input type="text"/>		<input type="text"/>

Report any changes to your name, address, phone number, or e-mail address. Contact:

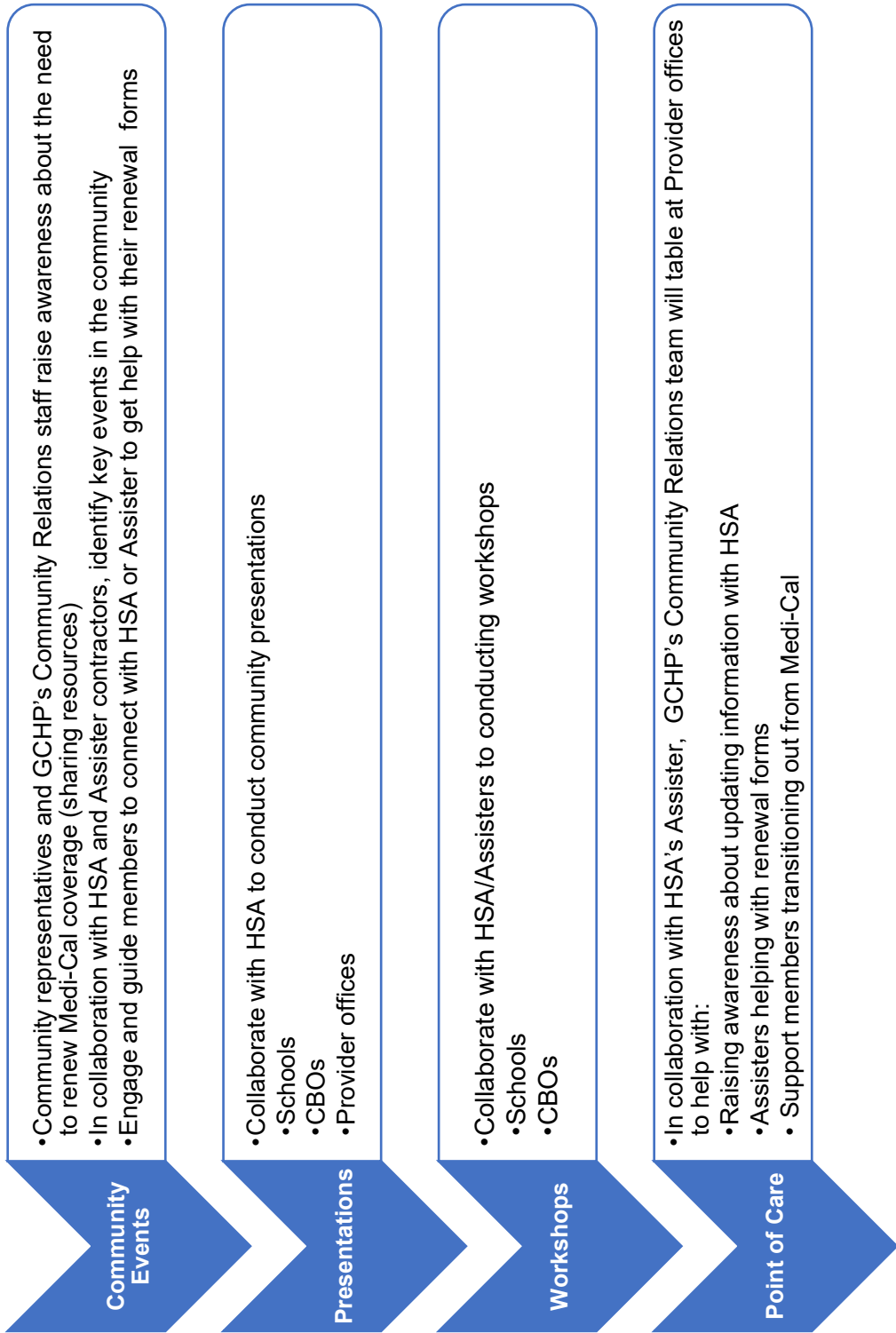
**Ventura County Human Services Agency**  
 855 Partridge Drive, Ventura, CA 93003  
 1-888-472-4463  
 TTY: 1-800-735-2929 or 711  
[www.vchsa.org](http://www.vchsa.org)

### Did You Know?

You can complete your annual renewal and report changes to your Medi-Cal online.

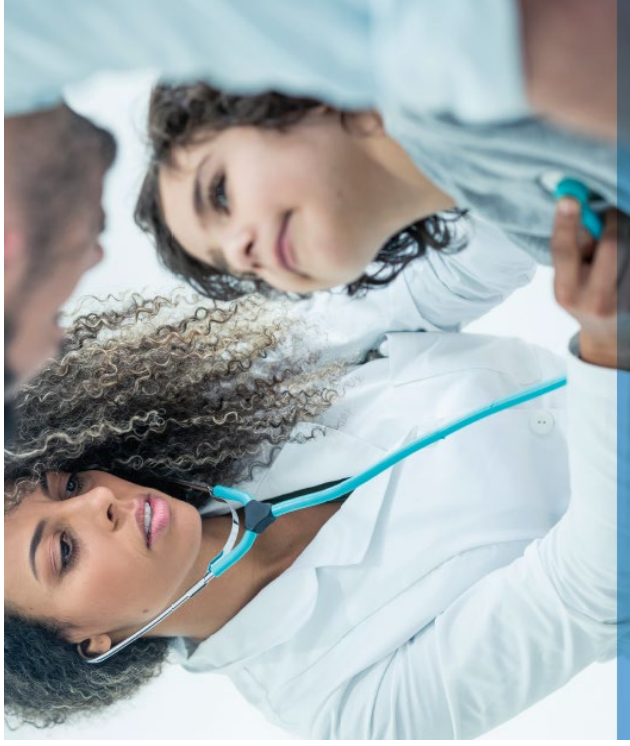
Create your online account today by going to [BenefitsCal.com](http://BenefitsCal.com) and selecting the "Create An Account" link.

# Community Engagement and Outreach: June 2023 - June 2024



# Provider Engagement: April 2023 – June 2024

- Engage provider leadership in outreach effort
- Provider newsletter (bi-monthly)
- Provider Orientations
- Provider In-Services
- Email blasts
- Messaging during site visits
- Messaging during JOMs
- Add message on Provider Relations email auto response



**Provider  
Operations  
Bulletin**

DECEMBER 2022

[www.goldcoasthealthplan.org](http://www.goldcoasthealthplan.org)



# Member Engagement: Member Services / Call Center

- Trained Member Services and call center staff on helping members enroll on the BenefitsCal.com website, where they can complete their renewal and update any personal information that has changed.
- Ongoing sharing of information with the Ventura County Human Services Agency when updated addresses are provided to GCHP by members after verification.
- Add information to the call center IVR to remind members to update their contact information and complete renewal forms.

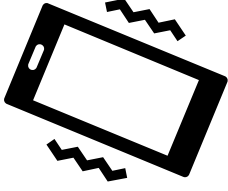
# Member Engagement: Automated Calls (IVR) / Texting (SMS)



Automated calls  
to all members  
with valid phone  
numbers



**FOLLOWED BY**



Text messages to  
all cell phones

# Questions

## **AGENDA ITEM NO. 5**

**TO:** Ventura County Medi-Cal Managed Care Commission

**FROM:** Felix L. Nuñez, MD, MPH, Chief Medical Officer  
Kim Timmerman, MHA, CPHQ, Sr. Director of Quality Improvement

**DATE:** April 24, 2023

**SUBJECT:** Quality Improvement Committee 2023 First Quarter Report

### **SUMMARY:**

The Department of Health Care Services (“DHCS”) requires Gold Coast Health Plan (“GCHP”) to implement an effective quality improvement system and to ensure that the governing body routinely receives written progress reports from the Quality Improvement Committee (“QIC”).

The attached PPT report contains a summary of activities of the QIC and its subcommittees.

### **APPROVAL ITEMS:**

- 2023 Quality Improvement and Health Equity Transformation Program Description (QIHETPD)
- 2023 Quality Improvement and Health Equity Transformation Work Plan (QIHETWP)

### **FISCAL IMPACT:**

None

### **RECOMMENDATION:**

Approve the 2023 QIHETPD and 2023 QIHETWP as presented. Receive and file the complete report as presented.

### **ATTACHMENTS:**

- 1) Timmerman, K., (2023). Quality Improvement, Ventura County Medi-Cal Managed Care Commission, Quality Improvement Committee Report – Q1 2023, Presentation Slides.

# Quality Improvement Committee Report Q1 2023

Monday, April 24, 2023

Kimberly Timmerman, MHA, CPHQ  
Sr. Director, Quality Improvement

Integrity

Accountability

Collaboration

Trust

Respect

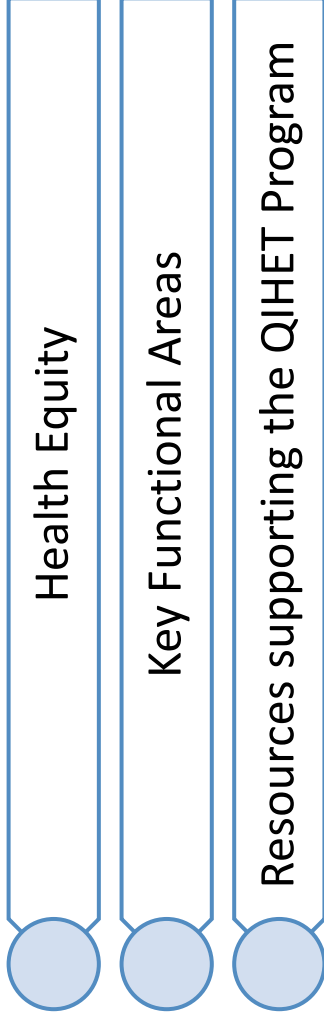


# Quality Improvement: Approval Items

- 2023 Quality Improvement and Health Equity Transformation Program Description
- 2023 Quality Improvement and Health Equity Transformation Work Plan

# Quality Improvement and Health Equity Transformation Program Description (QIHETPD)

- Quality Improvement Program Description (QIPD) now the Quality Improvement & Health Equity Transformation Program Description (QIHETPD)
- Substantive changes to align with NCQA accreditation standards and DHCS Operational Readiness requirements
- Incorporated a focus on:



- Updated the triple aim to the quintuple aim
  - Improving Population Health
  - Care Team Well-Being
  - Enhancing the Patient Experience
  - Advancing Health Equity & Inclusion
  - Reducing Cost

# QIHETPD: Focus on Health Equity

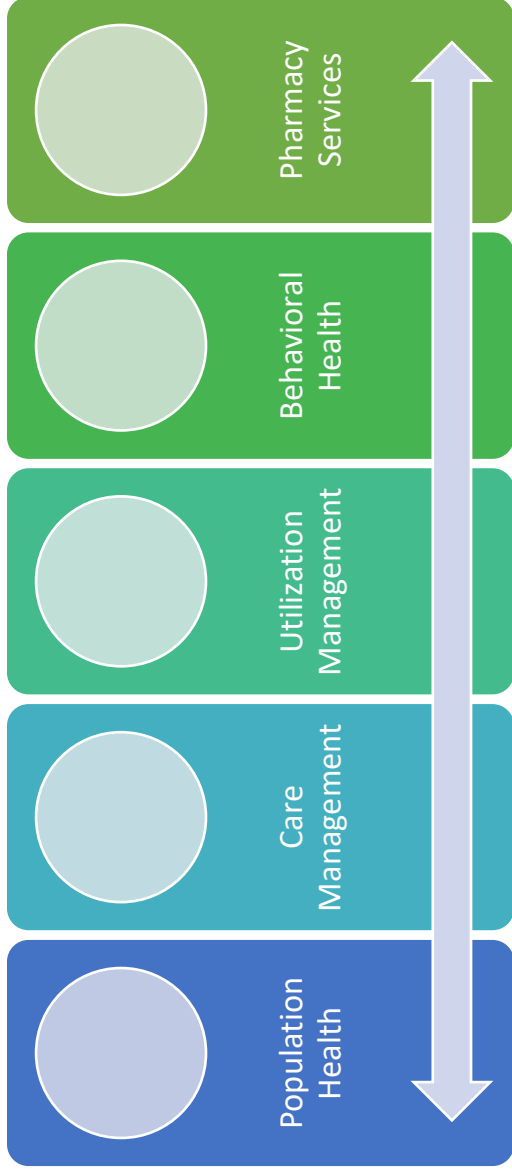


- Help drive system transformation and innovation to ensure quality and equity for members
- Collaborations with stakeholders (members, providers, community-based organizations, schools, public health agencies)
- Focusing on improving access to services and developing community support strategies for at-risk populations and those populations experiencing health disparities
- Emphasis on:
  - Children's preventive care
  - Maternal health outcomes
  - Behavioral health



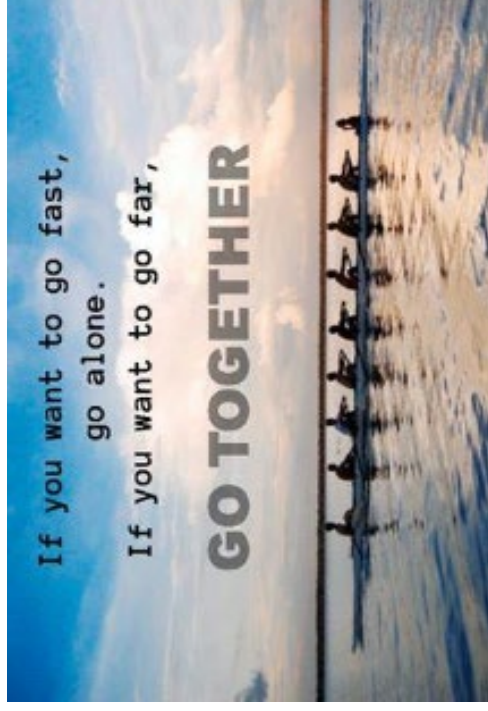
# QIHETPD: Key Functional Areas

- Outlined Key Functional Areas to ensure the QIHET Program Description incorporates and emphasizes:
  - Positive health outcomes for defined populations across the continuum of care
  - Member access to a comprehensive, medically-necessary, and appropriate set of services based on their needs and preferences



# QIHETPD: Resources

- **Chief Medical Officer**
  - Designated physician to support the QIHET Program and management of quality improvement activities
- **Quality Improvement**
  - Clinical quality monitoring
  - Performance improvement project oversight
  - Analytical support
  - Oversight of the annual MCAS/HEDIS® project
  - Credentialing
- **IT/Analytic Support**
  - Monthly file creation
  - Data integrity oversight
  - HEDIS® Certified Software
- **Health Education**
  - Member health education materials
  - Health navigators
- **Behavioral Health Practitioner**
  - Quality Improvement & Utilization Management Committee membership



# Quality Improvement and Health Equity Transformation Work Plan

- **Work Plan Title Change**
  - Aligned with DHCS Quality Strategy and Operational Readiness
  - Formerly *Quality Improvement Work Plan (QIWP)*
  - New Title: *Quality Improvement and Health Equity Transformation (QIHET) Work Plan*
- **DHCS Managed Care Plan (MCP) Readiness and Transition Planning for 2024**
  - High quality, accessible, and comprehensive care across all settings and level of care
  - Reduce health disparities
  - Improve health outcomes



# 2023 QI and Health Equity Transformation Work Plan Updates

- Objective 1: Improve Quality & Safety of Clinical Care Services
- Objective 2: Improve Quality & Safety of Non-Clinical Care Services
- Objective 3: Improve Member Safety
- Objective 4: Assess and Improve Member Experience
- Objective 5: Ensure Organizational Oversight of Delegated Activities

# Metrics Retained on 2023 QIHET Work Plan

## Objective 1: Improve Quality & Safety of Clinical Care Services

Metrics Retained (14)	Rationale
Utilization Management: Clinical Practice Guidelines	Ongoing metric
Advance Prevention: Tobacco Cessation	DHCS APL Requirement
Advance Prevention: Initial Health Appointment (IHA)	DHCS APL Requirement
Follow-Up After Emergency Department (ED) Visit for Mental Illness – 30 days (FUM-30)	MCAS measure held to MPL
Follow-Up After Emergency Department (ED) Visit for Substance Use – 30 days (FUA-30)	MCAS measure held to MPL
Breast Cancer Screening (BCS)	MCAS measure held to MPL
Lead Screening in Children (LSC)	MCAS measure held to MPL
Cervical Cancer Screening (CCS)	MCAS measure held to MPL
Chlamydia Screening in Women (CHL)	MCAS measure held to MPL
Developmental Screening in the First Three Years of Life (DEV)	MCAS measure held to MPL
Well-Child Visits in the First 30 Months of Life (W30)	MCAS measure held to MPL
Child and Adolescent Well-Care Visits (WCV)	MCAS measure held to MPL
Cervical Cancer Screening Disparity PIP	2020-2023 DHCS PIP
Child & Adolescent Well Care (Age 12-17) PIP	2020-2023 DHCS PIP

MPL = Minimum Performance Level

# Metrics Added to 2023 QIHET Work Plan

## Objective 1: Improve Quality & Safety of Clinical Care Services

Metrics Added (18)	Rationale
2023 QIHET Program Description	Quality Strategy/NCQA
2023 QIHETP Work Plan	Quality Strategy/NCQA
2022 QI Work Plan Evaluation	Quality Strategy/NCQA
2023 HEDIS® Compliance Audit™	MCAS Reporting
Health Education/Cultural Linguistics Population Needs Assessment (PNA)	Health Disparity Assessment
Population Health Management (PHM) Program	Population Health
Care Management: Complex Care Management	Care Coordination
Care Management: Care Gap Closure	MCAS measures
Colorectal Cancer Screening	MCAS measure to be held to MPL in MY 2024
Diabetes Management	MCAS measure held to MPL
Topical Fluoride Varnish	MCAS measure held to MPL
Asthma Medication Ratio	MCAS measure held to MPL

MPL = Minimum Performance Level

## Metrics Added - Continued

### Objective 1: *Improve Quality & Safety of Clinical Care Services*

Metrics Added (18)	Rationale
Controlling Blood Pressure	MCAS & Health Disparity Initiative
Women's Health SWOT (BCS, CHL)	DHCS 2022-2023 Improvement Project
Well-Child SWOT (W30, WCV)	DHCS 2022-2023 Improvement Project
One Year Improvement Project: Metric TBD	DHCS 2023-2024 Improvement Project
Performance Improvement Project #1: Improve the percentage of Hispanic/Latinx members who receive 6+ well-child visits by 15 months of age	DHCS 2023-2026 Clinical PIP
Performance Improvement Project #2: Improve the percentage of provider notifications for members with SUD/SMH diagnoses following or within 7 days of an ED visit	DHCS 2023-2026 Non-Clinical Mental/Behavioral Health PIP

# Metrics Removed from 2023 QIHET Work Plan

## Objective 1: Improve Quality & Safety of Clinical Care Services

Metrics Removed (6)	Rationale
Adverse Childhood Experiences (ACE) Screening	Replaced with behavioral health measures aligned with MCAS
COVID-19 Vaccines & Return to Care	Public Health Emergency (PHE) ending in 2023
Childhood Immunization Status	MCAS rates exceed MPL
CDC HbA1c > 9.0 Improvement Project	Completed 2021-2022 DHCS IP
Women's Health SWOT (BCS, CHL, CCS)	Completed 2021-2022 DHCS IP
COVID-19 QIP	Completed 2021-2022 DHCS IP



# All Metrics Retained on QIHETP Work Plan

## Objective 2: *Improve Quality & Safety of Non-Clinical Care Services*

Metrics Retained (5)	Rationale
Cultural & Linguistic Needs and Preferences	Regulated requirement to continue to ensure adequate resources to address the cultural, ethnic, and linguistic needs of our members.
Primary & Specialty Care Access	Regulated requirement to ensure standards meet required benchmarks.
After Hours Availability	Regulated requirement to ensure standards meet required benchmarks.
Network Adequacy	Regulated requirement to ensure standards meet required benchmarks.
Provider Satisfaction	Continue to analyze survey outcomes and identify areas in need of improvement for interventions.

# All Metrics Retained on 2023 QIHET Work Plan

## Objective 3: *Improve Member Safety*

Metrics Retained (3)	Rationale
Facility Site Monitoring (FSR)	Regulated requirements to perform initial and periodic FSRs.
Credentialing/Recredentialing	Regulated requirement to assess the qualifications of providers and conduct ongoing monitoring.
Pharmacy: Reduction in Potential Unsafe Opioid Prescriptions	Added second objective to “Monitor the pharmacotherapy for Opioid Use Disorder (POD) MCAS measure.

# Metric Updates to 2023 QIHET Work Plan

## Objective 4: Assess and Improve Member Experience

Metrics Retained (1)		Rationale
Call Center Monitoring		No changes to call center monitoring activities.
Metrics Revised (1)		Rationale
Grievances & Appeals		Updated scope of focus areas to review for trending and development of action plans to improve the member experience
Metrics Added (2)		Rationale
Consumer Assessment of Healthcare Providers and Systems (CAHPS) Surveys		Added CAHPS surveys. Regulated requirement to complete CAHPS surveys every two years to monitor and improve member satisfaction.
CAHPS: Getting Care Quickly for Adults and Children		Added CAHPS focus areas for improvement, based on recent CAHPS scores.

# Metric Updates to 2023 QIHET Work Plan

## Objective 5: Ensure Organizational Oversight of Delegated Activities

Metrics	Rationale
<p>Completion of Delegation Oversight Activities with CAPs closed timely</p> <ul style="list-style-type: none"> <li>• Credentialing</li> <li>• Quality Improvement</li> <li>• Utilization Management</li> <li>• Members' Rights</li> <li>• Claims</li> <li>• Call Center</li> <li>• Cultural and Linguistics</li> <li>• Transportation (NEMT/NMT)</li> </ul>	<p>DHCS regulatory and NCQA requirement</p> <p>Added delegation oversight of transportation (NEMT/NMT)</p>

# Questions?

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## **Recommendation:**

Approve the 2023 Quality Improvement and  
Health Equity Transformation Program  
Description and Work Plan

*Thank you*

## **AGENDA ITEM NO. 6**

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Jamie Louwerens, Sr. Director, Finance

DATE: April 24, 2023

SUBJECT: February and March 2023 Fiscal Year to Date Financials

### **SUMMARY:**

Staff is presenting the attached February and March 2023 fiscal year-to-date ("FYTD") financial statements of Gold Coast Health Plan ("GCHP") for review and approval.

### **BACKGROUND/DISCUSSION:**

The staff has prepared the February 2023 and March 2023 unaudited FYTD financial packages, including statements of financial position, statement of revenues and expenses, changes in net assets, statement of cash flows and schedule of investments and cash balances.

### **Financial Overview:**

GCHP experienced gains of \$26.8 million and \$20.4 million for February and March 2023 respectively. As of March 31<sup>st</sup>, GCHP is favorable to the budget estimates by \$92.5 million. The favorability is due to medical expense estimates that are currently less than budget by \$79.3 million, administrative and project expenses favorable by \$1.2 million, Non-Operating Gains (Interest Income) by \$5.9 million and revenue favorable by \$6.1 million.

### **Financial Report:**

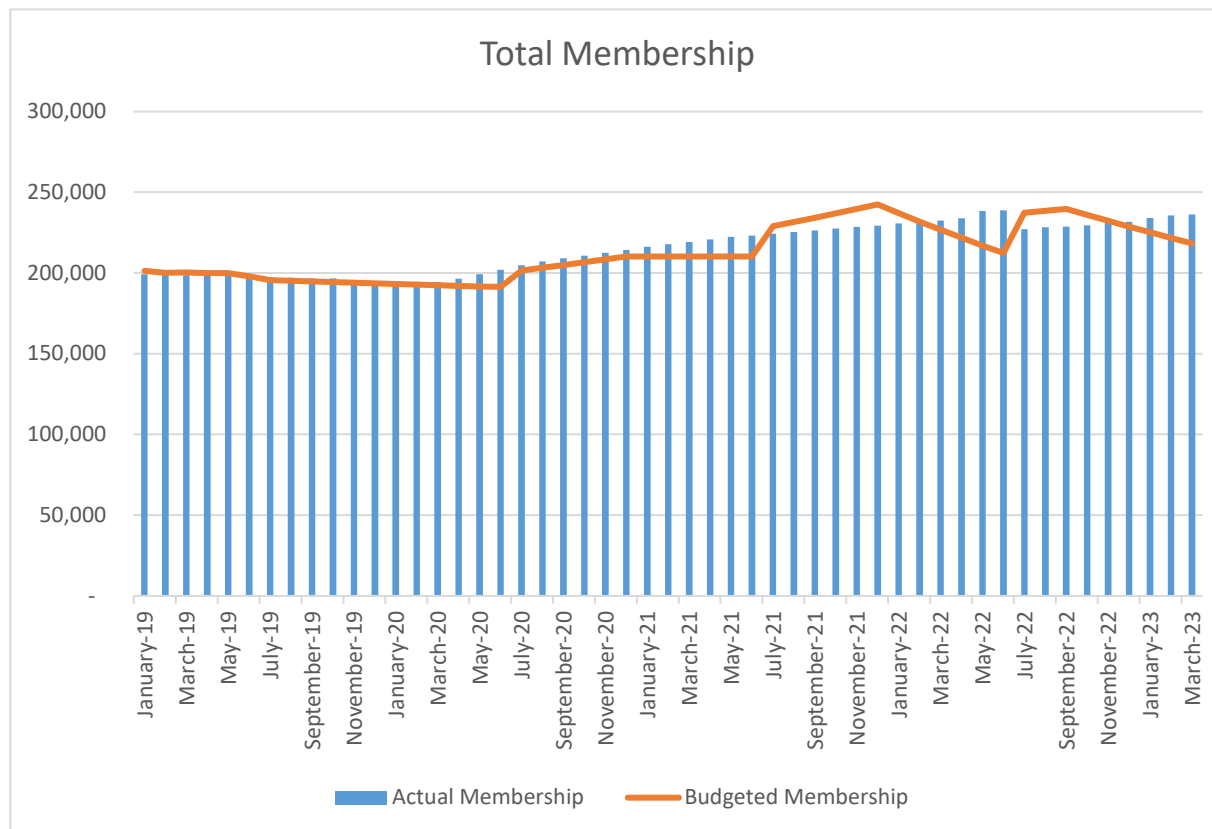
GCHP is reporting net gains of \$26.8 million and \$20.4 million for the months of February and March 2023 respectively.

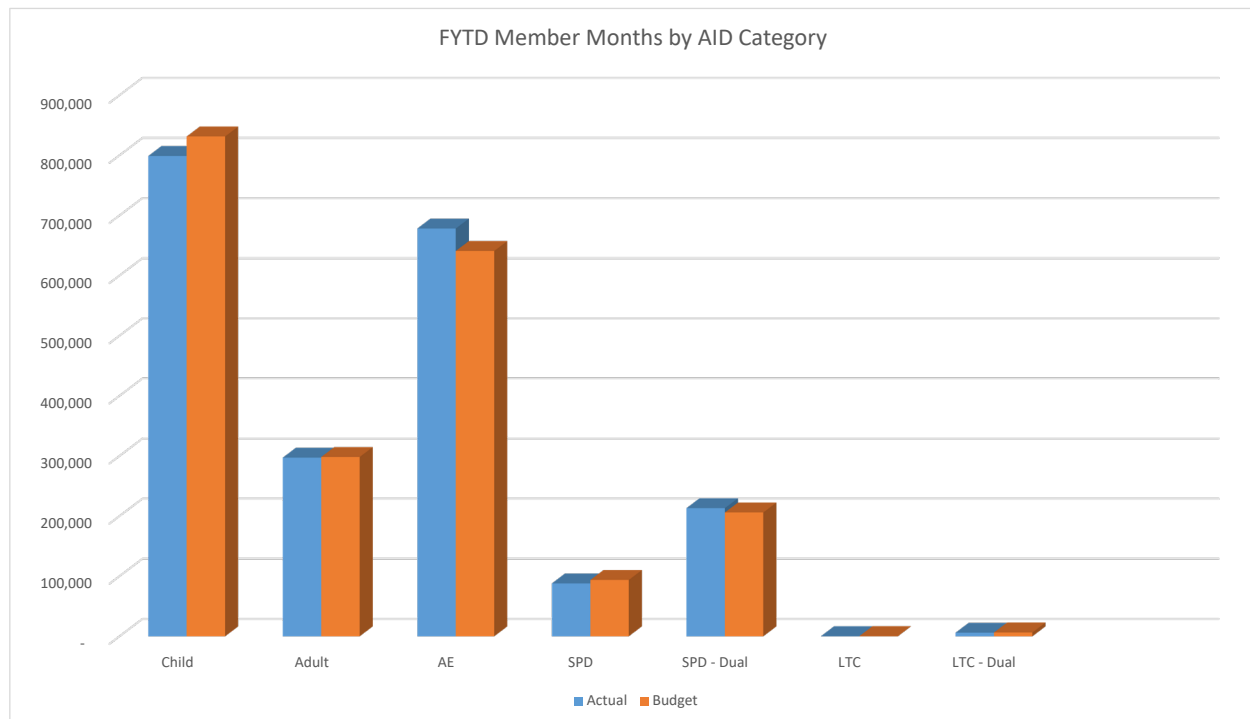
### **March 2023 FYTD Highlights:**

1. Net gain of \$135.2 million, a \$92.5 million favorable budget variance.
2. FYTD net revenue is \$737.7 million, \$6.1 million higher than budget.
3. FYTD Cost of health care is \$555.1 million, \$79.3 million lower than budget.
4. The medical loss ratio is 75.2% of revenue, 11.5% under budget.

5. FYTD administrative expenses are \$53.4 million, \$1.2 million under budget.
6. The administrative cost ratio is 7.2%, 0.2% under budget.
7. Current membership for March 2023 is 251,053.
8. Tangible Net Equity is \$311.8 million which represents approximately 140 days of operating expenses in reserve and 974% of the required amount by the State.

**Note:** To improve comparative analysis, GCHP is reporting the budget on a flexible basis which allows for updated revenue and medical expense budget figures consistent with membership trends.





### Revenue

FYTD Net Premium revenue is \$737.7 million; \$6.1 million and 1.0% favorable budget variance. Variance is primarily due to new CY2023 base rates ~\$13.1 million and maternity revenue ~\$0.8 million offset by unfavorable ECM risk corridor adjustment of ~(\$3.8) million not in budget, timing of incentive revenue budgeted of ~(\$2.5) million, MCO tax revenue net of tax unfavorable to budget ~(\$1.5) million

### Health Care Costs

FYTD Health care costs are \$555.1 million; a \$79.3 million and 12.0% favorable budget variance. The primary driver is lower inpatient medical expenses. The moratorium on redeterminations due to the Public Health Emergency (PHE) has resulted in increased membership with a significant mix of members being low/non-utilizers of services which has led to less healthcare costs than what was anticipated when the budget was established a year ago.

Due to the unknown impacts of the pandemic, the budget was established for CY2023 Medical Expenses projected based on FY20-21 (July 2020 – June 2021) RDT base data and CY21 experience respectively + estimated trend/prospective adjustment factors.

Trend factors consistent with RDT (2-4%) and projections based on COA/COS combinations getting back to CY2019 level where appropriate with the exception of mental health expenses (maintaining COVID levels in budget).

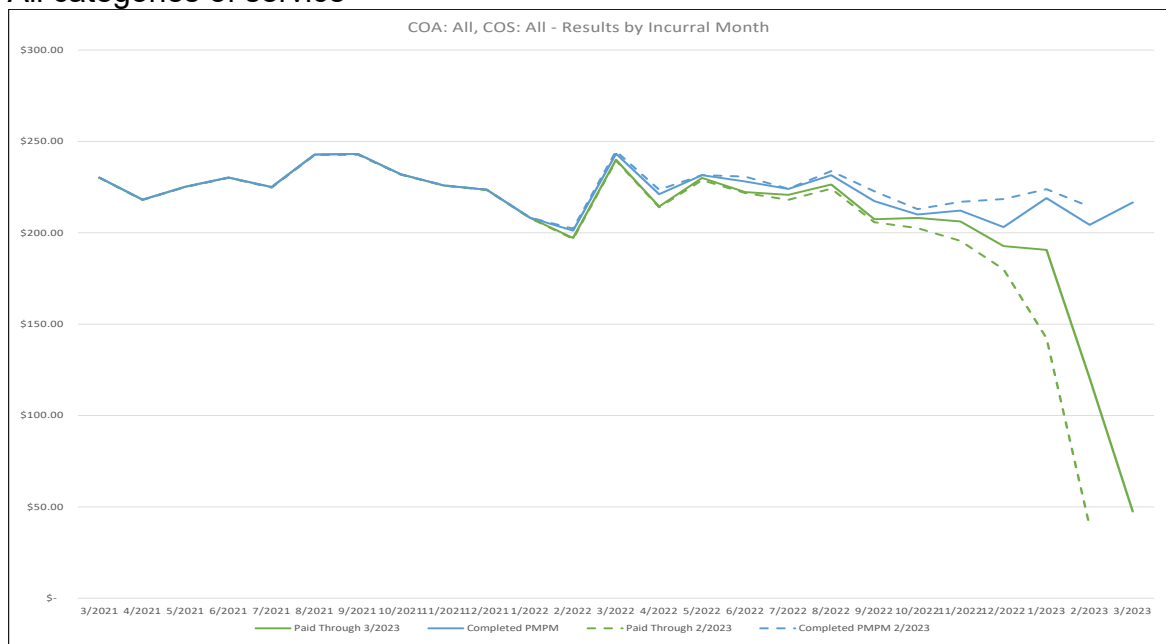
Medical expenses are calculated through a predictive model which examines the timing of claims receipt and claims payments. It is referred to as “Incurred but Not Paid” (IBNP)



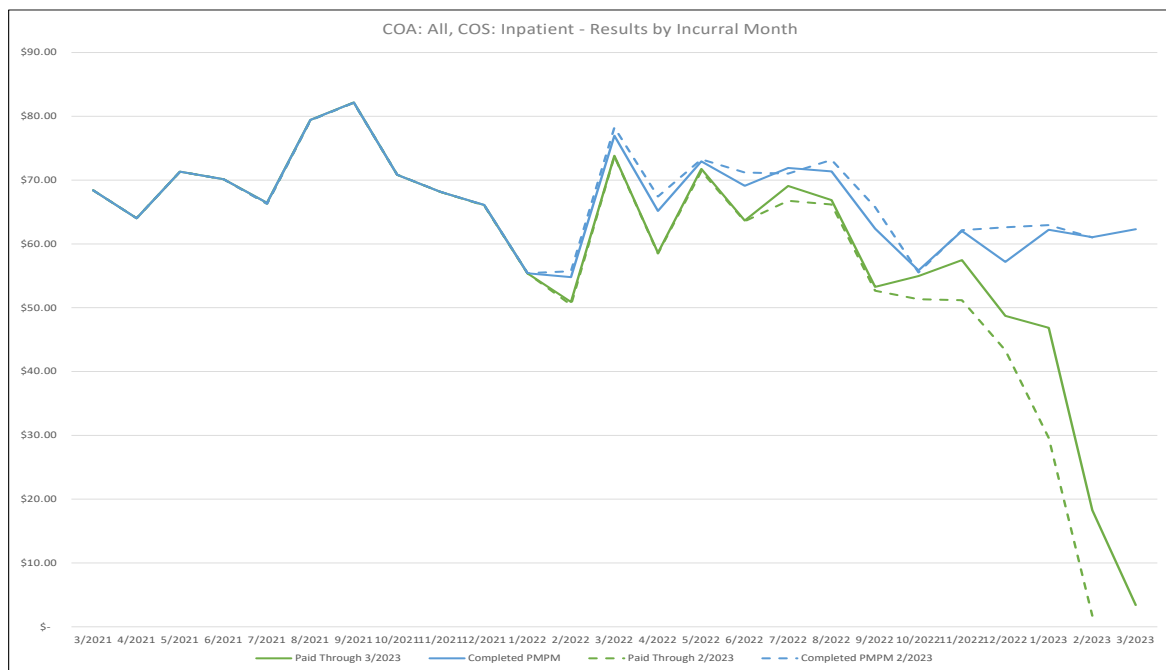
and is a liability on the balance sheet. On the balance sheet, this calculation is a combination of the Incurred but Not Reported and Claims Payable.

High level trends on a per member per month (PMPM) basis for the major categories of service are as follows:

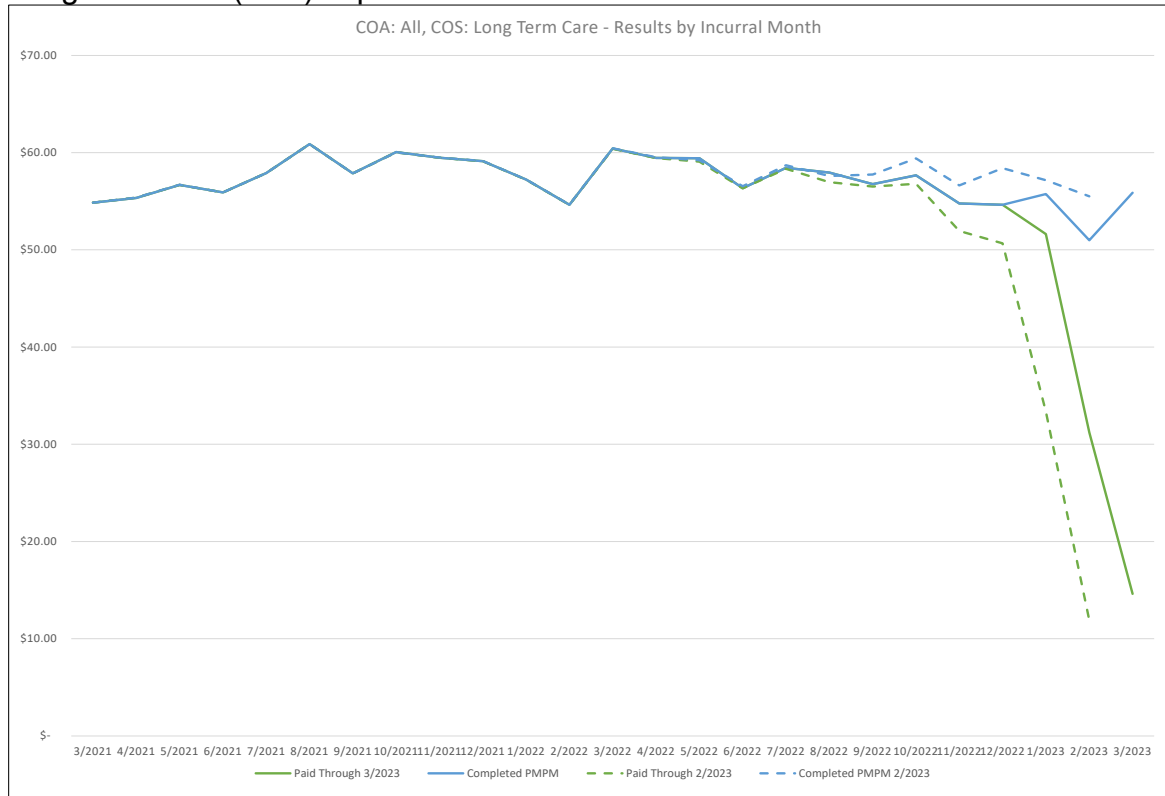
### 1. All categories of service



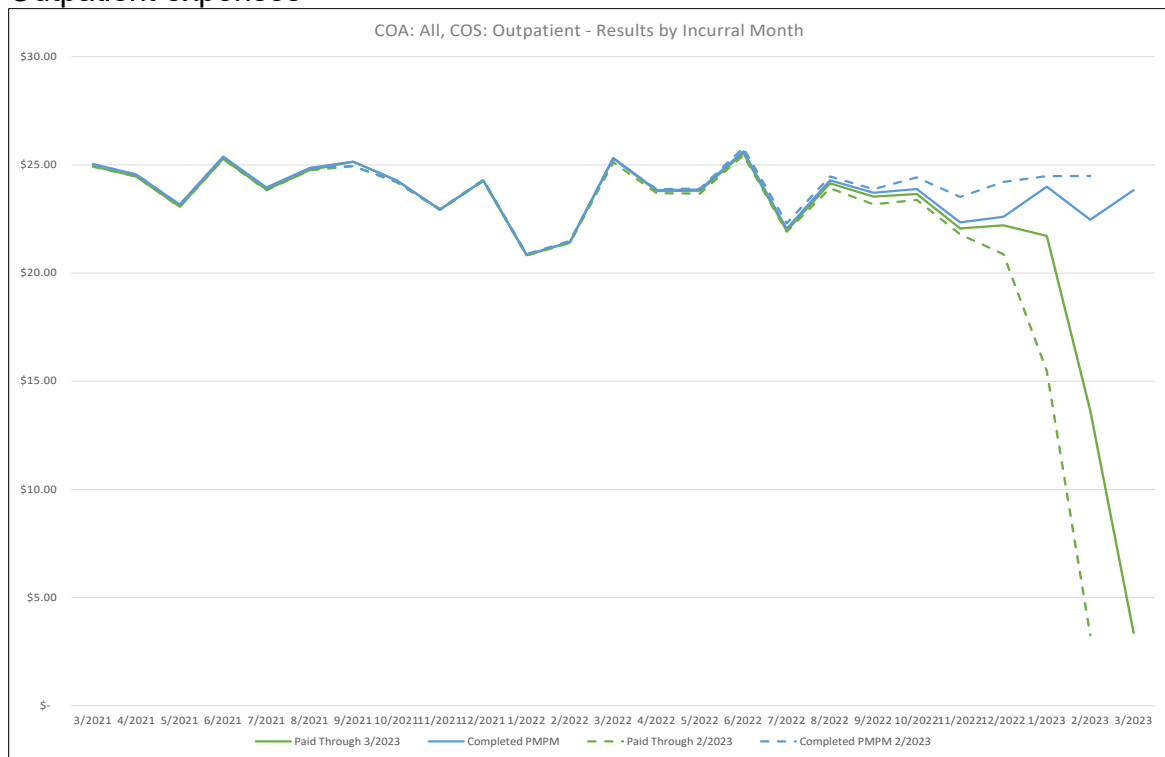
### 2. Inpatient hospital costs



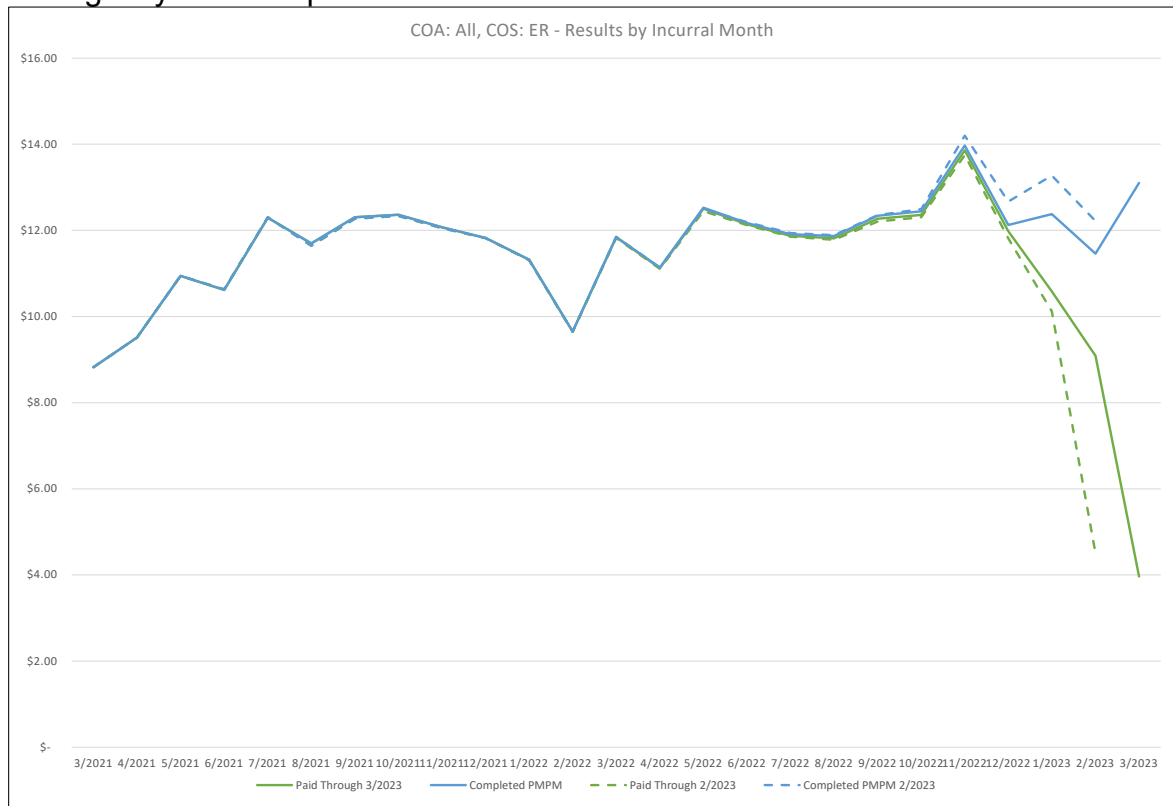
### 3. Long term care (LTC) expenses



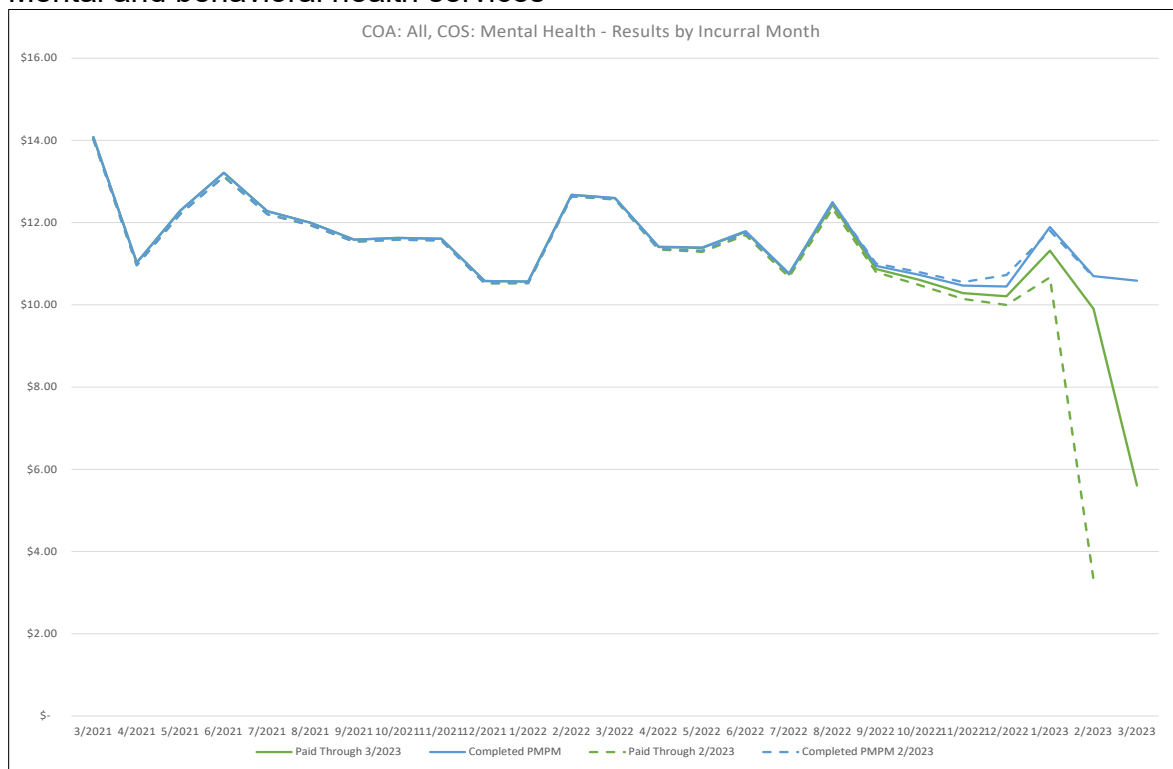
### 4. Outpatient expenses



## 5. Emergency Room expenses



## 6. Mental and behavioral health services



## Administrative Expenses

The administrative expenses are currently running within amounts allocated to administration in the capitation revenue from the State. In addition, the ratio is comparable to other public health plans in California.

For the fiscal year to date through March 2023, administrative costs were \$53.4 million, \$1.2 million under budget. As a percentage of revenue, the administrative cost ratio (or ACR) was 7.2% versus 7.5% for budget.

## Cash and Short-Term Investment Portfolio

At March 31<sup>st</sup> the Plan had \$395.9 million in cash and short-term investments. The investment portfolio included Ventura County Investment Pool \$18.5 million; LAIF CA State \$40.7 million; Cal Trust \$35.5 million.

### SCHEDULE OF INVESTMENTS AND CASH BALANCES

	Market Value* March 31, 2023	Account Type
Local Agency Investment Fund (LAIF) <sup>1</sup>	\$ 40,693,939	investment
Ventura County Investment Pool <sup>2</sup>	\$ 18,528,528	investment
CalTrust	\$ 35,549,024	short-term investment
Bank of West	\$ 296,644,696	money market account
Pacific Premier	\$ 4,531,054	operating accounts
Mechanics Bank <sup>3</sup>	\$ -	operating accounts
Petty Cash	\$ 500	cash
<b>Investments and monies held by GCHP</b>	<b>\$ 395,947,740</b>	

	Mar-23	FYTD 22-23
<b>Local Agency Investment Fund (LAIF)</b>		
Beginning Balance	\$ 40,693,939	\$ 40,269,787
Transfer of Funds from Ventura County Investment Pool	-	-
Quarterly Interest Received	-	424,152
Quarterly Interest Adjustment	-	-
<b>Current Market Value</b>	<b>\$ 40,693,939</b>	<b>\$ 40,693,939</b>
<b>Ventura County Investment Pool</b>		
Beginning Balance	\$ 18,528,528	\$ 18,377,308
Transfer of funds to LAIF	-	-
Interest Received	-	151,220
<b>Current Market Value</b>	<b>\$ 18,528,528</b>	<b>\$ 18,528,528</b>

## Medi-Cal Receivable

At March 31<sup>st</sup> the Plan had \$94.5 million in Medi-Cal Receivables due from the DHCS.

**RECOMMENDATION:**

Staff requests that the Commission approve the February and March 2023 financial packages.

**CONCURRENCE:**

N/A

**ATTACHMENT:**

February 2023 Financial Package  
March 2023 Financial Package



## **FINANCIAL PACKAGE**

For the month ended February 28, 2023

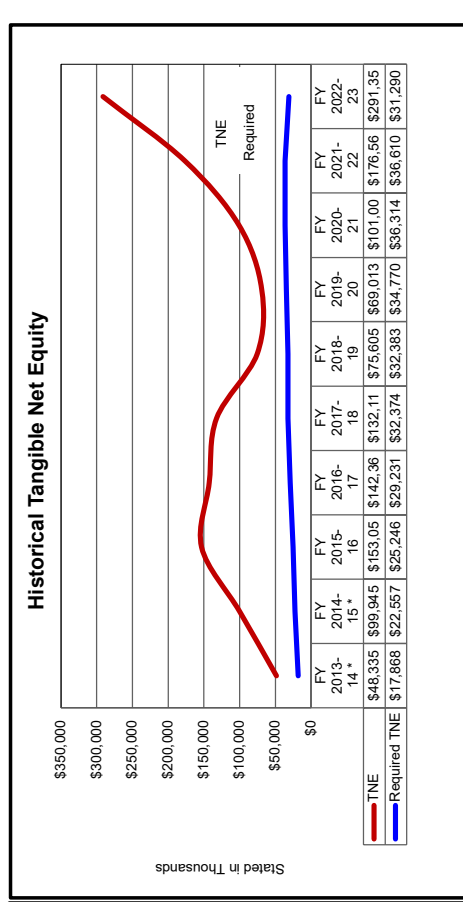
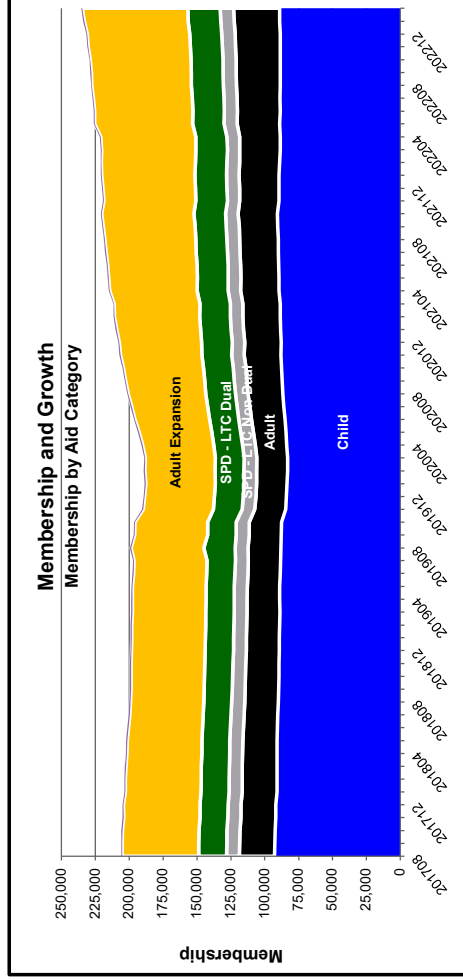
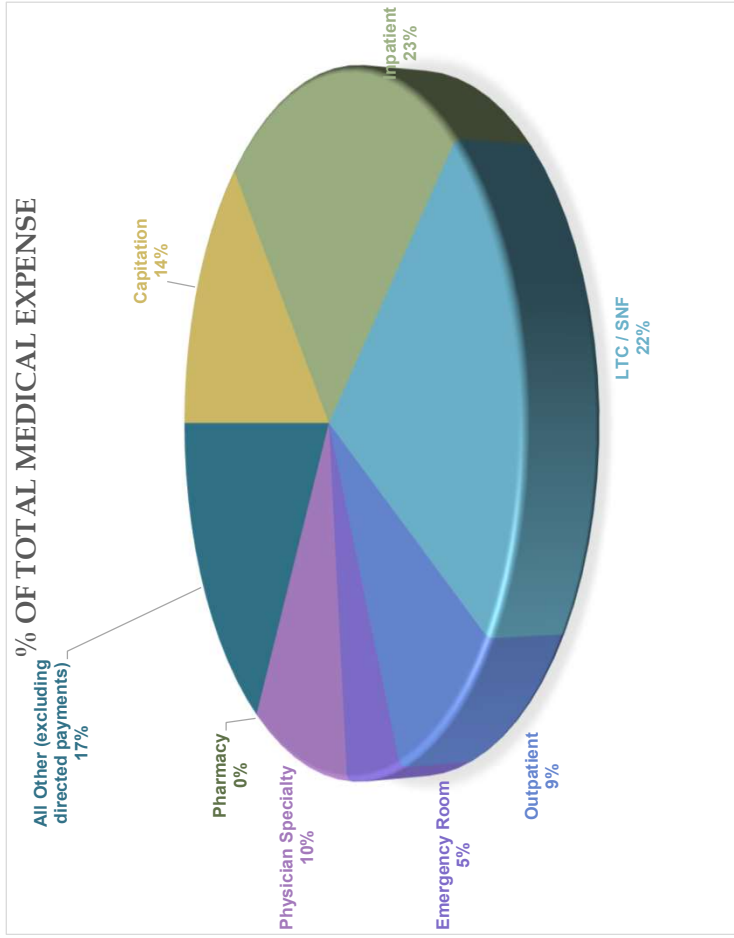
### **TABLE OF CONTENTS**

- Executive Dashboard
- Statement of Financial Position
- Statement of Revenues, Expenses and Changes in Net Assets
- Statement of Cash Flows
- Schedule of Investments & Cash Balances

# **Gold Coast Health Plan** **Executive Dashboard as of February 28, 2023**

	FYTD 22/23 Budget*	FYTD 22/23 Actual	FYTD 21/22 Actual	FY 20/21 Actual
Average Enrollment	232,391	244,529	229,367	213,547
PMPM Revenue	\$ 365.26	\$ 331.76	\$ 347.72	\$ 358.22
<b>Medical Expenses</b>				
Capitation	\$ 32.60	\$ 34.48	\$ 32.44	\$ 34.03
Inpatient	\$ 77.54	\$ 55.22	\$ 68.62	\$ 66.52
LTC / SNF	\$ 49.18	\$ 52.92	\$ 59.92	\$ 55.42
Outpatient	\$ 26.53	\$ 22.68	\$ 22.59	\$ 23.16
Emergency Room	\$ 12.38	\$ 11.85	\$ 10.80	\$ 9.25
Physician Specialty	\$ 26.88	\$ 22.93	\$ 22.49	\$ 25.71
Provider incentives	\$ 2.94	\$ (0.00)	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ 29.71	\$ 62.07
All Other (excluding directed payments)	\$ 41.85	\$ 41.68	\$ 45.41	\$ 43.20
Total Per Member Per Month	\$ 269.90	\$ 241.75	\$ 291.97	\$ 319.36
Medical Loss Ratio	85.5%	75.5%	86.9%	92.1%
Total Administrative Expenses	\$ 48,026,531	\$ 46,597,814	\$ 53,680,738	\$ 49,637,603
% of Revenue	7.4%	7.2%	5.6%	5.4%
TNE	\$ 214,893,409	\$ 291,358,790	\$ 180,480,257	\$ 100,999,994
Required TNE	\$ 33,441,330	\$ 31,290,339	\$ 36,609,789	\$ 36,313,908
% of Required	643%	931%	493%	278%

\* Flexible Budget (uses actual membership & member mix against budgeted rates)



# STATEMENT OF FINANCIAL POSITION

	02/28/23	01/31/23	12/31/22
<b>ASSETS</b>			
<b>Current Assets:</b>			
<b>Total Cash and Cash Equivalents</b>	<b>285,892,678</b>	<b>267,299,777</b>	<b>261,624,041</b>
<b>Total Short-Term Investments</b>	<b>94,618,232</b>	<b>94,501,497</b>	<b>94,110,715</b>
Medi-Cal Receivable	99,602,061	94,949,569	99,326,147
Interest Receivable	241,865	171,045	201,640
Provider Receivable	1,354,311	476,350	487,204
Other Receivables	241,507	123,457	181,210
<b>Total Accounts Receivable</b>	<b>101,439,743</b>	<b>95,720,420</b>	<b>100,196,201</b>
Total Prepaid Accounts	3,287,590	3,017,126	2,427,827
Total Other Current Assets	135,560	135,560	135,560
<b>Total Current Assets</b>	<b>485,373,803</b>	<b>460,674,380</b>	<b>458,494,345</b>
<b>Total Fixed Assets</b>	<b>6,144,265</b>	<b>6,286,699</b>	<b>6,429,132</b>
<b>Total Assets</b>	<b>\$ 491,518,069</b>	<b>\$ 466,961,078</b>	<b>\$ 464,923,477</b>
<b>LIABILITIES &amp; NET ASSETS</b>			
<b>Current Liabilities:</b>			
Incurred But Not Reported	\$ 90,791,350	\$ 94,500,885	\$ 109,115,411
Claims Payable	22,371,500	19,487,088	4,215,397
Capitation Payable	8,412,986	8,296,351	8,991,013
Physician Payable	24,253,312	25,147,677	22,905,233
DHCS - Reserve for Capitation Recoup	27,855,935	27,182,036	26,607,341
Lease Payable- ROU	1,278,062	1,270,810	1,263,590
Accounts Payable	1,578,384	2,526,340	384,006
Accrued ACS	3,365,645	2,113,969	3,809,304
Accrued Provider Incentives/Reserve	8,496,565	8,415,969	6,182,508
Accrued Pharmacy	-	-	-
Accrued Expenses	3,173,195	4,316,921	3,137,513
Accrued Premium Tax	-	-	23,722,380
Accrued Payroll Expense	3,492,988	3,923,670	3,363,514
<b>Total Current Liabilities</b>	<b>195,069,922</b>	<b>197,181,716</b>	<b>213,697,212</b>
<b>Long-Term Liabilities:</b>			
Other Long-term Liability-Deferred Rent	-	-	-
Lease Payable - NonCurrent - ROU	5,089,357	5,198,100	5,306,370
<b>Total Long-Term Liabilities</b>	<b>5,089,357</b>	<b>5,198,100</b>	<b>5,306,370</b>
<b>Total Liabilities</b>	<b>200,159,279</b>	<b>202,379,816</b>	<b>219,003,582</b>
<b>Net Assets:</b>			
Beginning Net Assets	176,562,922	176,562,922	176,562,922
Total Increase / (Decrease in Unrestricted Net Assets)	114,795,868	88,018,340	69,356,973
<b>Total Net Assets</b>	<b>291,358,790</b>	<b>264,581,262</b>	<b>245,919,895</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$ 491,518,069</b>	<b>\$ 466,961,078</b>	<b>\$ 464,923,477</b>



**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**FOR MONTH ENDED February 28, 2023**

	February 2023 Actual	February 2023 Actual	Year-To-Date Budget	Year-To-Date Budget	Variance Fav / (Unfav)	Variance %
<b>Membership (includes retro members)</b>	248,823	1,956,234	1,859,126	97,108	5%	
<b>Revenue</b>						
Premium	\$ 84,250,161	\$ 695,195,571	\$ 707,592,700	\$ (12,397,129)	-2%	
Reserve for Cap Requirements	-	-	-	-	0%	
Incentive Revenue	-	4,405,886	6,944,148	(2,538,262)	-37%	
MCO Premium Tax	-	(50,605,116)	(66,097,234)	15,492,117	-23%	
<b>Total Net Premium</b>	<b>84,250,161</b>	<b>648,996,341</b>	<b>648,439,615</b>	<b>556,726</b>	<b>0.1%</b>	
<b>Other Revenue:</b>						
Miscellaneous Income	90	570	-	570	0%	
<b>Total Other Revenue</b>	<b>90</b>	<b>570</b>	<b>-</b>	<b>570</b>	<b>0%</b>	
<b>Total Revenue</b>	<b>84,250,251</b>	<b>648,996,911</b>	<b>648,439,615</b>	<b>557,296</b>	<b>0%</b>	
<b>Medical Expenses:</b>						
Capitation	8,299,497	65,203,087	63,778,554	(1,424,533)	-2%	
PCP, Specialty, Kaiser, NEMT & Vision	277,191	2,240,509	5,412,157	3,171,648	59%	
ECM	8,576,688	67,443,596	69,190,711	1,747,115	3%	
<b>Total Capitation</b>						
<b>FFS Claims Expenses:</b>						
Inpatient	8,633,747	108,016,050	151,689,330	43,673,280	29%	
LTC / SNF	13,202,566	103,518,344	96,210,298	(7,308,046)	-8%	
Outpatient	5,749,121	44,370,109	51,898,371	7,528,261	15%	
Laboratory and Radiology	444,133	5,917,718	6,309,052	391,334	6%	
Directed Payments - Provider	1,920,014	19,603,809	16,098,230	(3,505,579)	-22%	
Emergency Room	3,063,438	23,176,730	24,221,038	1,044,308	4%	
Physician Specialty	5,157,018	44,855,970	52,574,481	7,718,510	15%	
Primary Care Physician	2,315,897	17,579,665	19,779,258	2,199,593	11%	
Home & Community Based Services	1,310,204	15,044,296	19,463,501	4,419,205	23%	
Applied Behavioral Analysis/Mental Health Services	2,264,939	20,774,705	23,582,523	2,807,818	12%	
Pharmacy	-	(1,653)	-	1,653	0%	
Provider Reserve / Provider Incentives	80,596	1,718,150	5,744,906	4,026,756	70%	
Other Medical Professional	254,446	2,407,053	2,977,560	570,507	19%	
Other Fee For Service	887,485	7,002,928	8,274,569	1,271,641	15%	
Transportation	201,859	1,581,336	1,489,576	(91,761)	-6%	
<b>Total Claims</b>	<b>45,485,462</b>	<b>415,565,212</b>	<b>480,312,693</b>	<b>64,747,481</b>	<b>13%</b>	
Medical & Care Management Expense	1,622,082	13,155,387	12,432,150	(723,237)	-6%	
Reinsurance	(741,483)	619,941	721,276	101,335	14%	
Claims Recoveries	(1,995,176)	(4,266,200)	(2,766,205)	1,499,994	-54%	
Sub-total	(1,114,577)	9,509,129	10,387,221	878,092	8%	
<b>Total Cost of Health Care</b>	<b>52,947,573</b>	<b>492,517,936</b>	<b>559,890,624</b>	<b>67,372,688</b>	<b>12%</b>	
<b>Contribution Margin</b>	<b>31,302,678</b>	<b>156,478,974</b>	<b>88,548,991</b>	<b>67,929,983</b>	<b>77%</b>	
<b>General &amp; Administrative Expenses:</b>						
Salaries, Wages & Employee Benefits	3,729,930	28,394,815	24,263,585	(4,131,229)	-17%	
Training, Conference & Travel	20,049	122,518	430,043	307,525	72%	
Outside Services	1,691,556	18,624,862	18,770,904	146,041	1%	
Professional Services	136,860	3,264,438	3,436,799	172,361	5%	
Occupancy, Supplies, Insurance & Others	893,929	6,445,673	7,813,047	1,367,375	18%	
Care Management Reclaim to Medical	(1,611,441)	(13,064,556)	(12,432,150)	632,406	-5%	
G&A Expenses	4,860,883	43,787,750	42,282,229	(1,505,521)	-4%	
Project Portfolio	493,304	2,810,064	5,744,303	2,934,238	51%	
<b>Total G&amp;A Expenses</b>	<b>5,354,187</b>	<b>46,597,814</b>	<b>48,026,531</b>	<b>1,428,717</b>	<b>3%</b>	
<b>Total Operating Gain / (Loss)</b>	<b>25,948,491</b>	<b>109,881,160</b>	<b>40,522,459</b>	<b>69,358,701</b>	<b>171%</b>	
<b>Non Operating</b>						
Revenues - Interest	829,037	4,914,707	107,466	4,807,241	4473%	
Gain/(Loss) on Sale of Asset	-	-	-	-	0%	
<b>Total Non-Operating</b>	<b>829,037</b>	<b>4,914,707</b>	<b>107,466</b>	<b>4,807,241</b>	<b>4473%</b>	
<b>Total Increase / (Decrease) in Unrestricted Net Assets</b>	<b>\$ 26,777,528</b>	<b>\$ 114,795,868</b>	<b>\$ 40,625,926</b>	<b>\$ 74,165,942</b>	<b>183%</b>	

February 2023 Actual	February 2023 Actual	Year-To-Date Budget	Year-To-Date Budget	Variance Fav / (Unfav)	Variance %
\$ 355.37	\$ 380.60	\$ (25.23)			
-	-	-			
2.25	3.74	(1.48)			
(25.87)	(35.55)	9.68			
<b>331.76</b>	<b>348.79</b>	<b>(17.03)</b>			
0.00	-	0.00			
0.00	-	0.00			
<b>331.76</b>	<b>348.79</b>	<b>(17.03)</b>			
33.33	34.31	0.97			
1.15	2.91	1.77			
34.48	35.37	0.89			
55.22	81.59	26.38			
52.92	51.75	(1.17)			
22.68	27.92	5.23			
3.03	3.39	0.37			
10.02	8.66	(1.36)			
11.85	13.03	1.18			
22.93	28.28	5.35			
8.99	10.64	1.65			
7.69	10.47	2.78			
10.62	12.68	2.06			
(0.00)	-	0.00			
0.88	3.09	2.21			
1.23	1.60	0.37			
3.58	4.45	0.87			
0.81	0.80	(0.01)			
212.43	258.35	45.92			
6.72	6.69	(0.04)			
0.32	0.39	0.07			
(2.18)	(1.49)	0.69			
4.86	5.59	0.73			
<b>250.62</b>	<b>298.25</b>	<b>47.62</b>			
<b>81.13</b>	<b>50.54</b>	<b>30.59</b>			
14.52	13.05	(1.46)			
0.06	0.23	0.17			
9.52	10.10	0.58			
1.67	1.85	0.18			
3.29	4.20	0.91			
(6.68)	(6.69)	(0.01)			
22.38	22.74	0.36			
1.44	3.09	1.65			
<b>23.82</b>	<b>25.83</b>	<b>2.01</b>			
<b>57.31</b>	<b>24.71</b>	<b>32.61</b>			
2.51	0.06	2.45			
<b>2.51</b>	<b>0.06</b>	<b>2.45</b>			
<b>\$ 59.83</b>	<b>\$ 24.77</b>	<b>\$ 35.06</b>			

<b>STATEMENT OF CASH FLOWS</b>	<b>February 2023</b>	<b>FYTD 22-23</b>
<b>Cash Flows Provided By Operating Activities</b>		
Net Income (Loss)	\$ 26,777,528	\$ 114,795,868
<b>Adjustments to reconciled net income to net cash provided by operating activities</b>		
Depreciation on fixed assets	142,433	1,155,701
Disposal of fixed assets	-	-
Amortization of discounts and premium	-	-
<b>Changes in Operating Assets and Liabilities</b>		
Accounts Receivable	(5,719,323)	(39,587)
Prepaid Expenses	(270,464)	(1,140,049)
Accrued Expense and Accounts Payable	(508,941)	5,401,197
Claims Payable	2,106,683	(4,068,580)
MCO Tax liability	-	(21,565,800)
IBNR	(3,709,535)	(13,667,832)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>18,818,380</u>	<u>80,870,919</u>
<b>Cash Flow Provided By Investing Activities</b>		
Proceeds from Restricted Cash & Other Assets		
Proceeds from Investments	(116,735)	(1,191,029)
Purchase of Property and Equipment	-	(210,265)
<b>Net Cash (Used In) Provided by Investing Activities</b>	<u>(116,735)</u>	<u>(1,401,295)</u>
<b>Cash Flow Provided By Financing Activities</b>		
Lease Payable - ROU	(108,744)	(856,801)
<b>Net Cash Used In Financing Activities</b>	<u>(108,744)</u>	<u>(856,801)</u>
<b>Increase/(Decrease) in Cash and Cash Equivalents</b>	18,592,902	78,612,823
<b>Cash and Cash Equivalents, Beginning of Period</b>	267,299,776	207,279,855
<b>Cash and Cash Equivalents, End of Period</b>	<u>285,892,678</u>	<u>285,892,678</u>

## SCHEDULE OF INVESTMENTS AND CASH BALANCES

	Market Value*	
	February 28, 2023	Account Type
Local Agency Investment Fund (LAIF) <sup>1</sup>	\$ 40,693,939	investment
Ventura County Investment Pool <sup>2</sup>	\$ 18,528,528	investment
CalTrust	\$ 35,395,764	short-term investment
Bank of West	\$ 280,925,967	money market account
Bank	\$ 4,966,210	operating accounts
Mechanics Bank <sup>3</sup>	\$ -	operating accounts
Petty Cash	\$ 500	cash
<b>Investments and monies held by GCHP</b>	<b>\$ 380,510,908</b>	

	Feb-23	FYTD 22-23
<b>Local Agency Investment Fund (LAIF)</b>		
Beginning Balance	\$ 40,693,939	\$ 40,269,787
Transfer of Funds from Ventura County Investment Pool	-	-
Quarterly Interest Received	-	424,152
Quarterly Interest Adjustment	-	-
<b>Current Market Value</b>	<b>\$ 40,693,939</b>	<b>\$ 40,693,939</b>
<b>Ventura County Investment Pool</b>		
Beginning Balance	\$ 18,475,155	\$ 18,377,308
Transfer of funds to LAIF	-	-
Interest Received	53,373	151,220
<b>Current Market Value</b>	<b>\$ 18,528,528</b>	<b>\$ 18,528,528</b>

\*Source of valuation is monthly statements

### Notes:

<sup>1</sup> This program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the State Treasurer's Office investment staff at no additional cost to the taxpayer. The LAIF is part of the Pooled Money Investment Account (PMIA). The PMIA began in 1955 and oversight is provided by the Pooled Money Investment Board (PMIB) and an in-house Investment Committee. The PMIB members are the State Treasurer, Director of Finance, and State Controller. All securities are purchased under the authority of Government Code Section 16430 and 16480.4. The State Treasurer's Office takes delivery of all securities purchased on a delivery versus payment basis using a third party custodian. All investments are purchased at market and a market valuation is conducted monthly.

<sup>2</sup> The Ventura County Treasury Portfolio is for local public governments, agencies, and school districts within Ventura County. Steven Hintz, Ventura County Treasurer-Tax Collector, actively manages the pool by performing ongoing analysis of investment opportunities, and by planning, coordinating, and controlling the investment activities in accordance with the California Government Code and with the county's internal investment guidelines. This is done in order to meet cash flow needs and to ensure the safety and liquidity of all investments. Wells Fargo Bank N.A. serves as custodian for the pool's investments.

The Ventura County Treasury Portfolio provides safety of principal, liquidity and a competitive rate of return. Investments are comprised of securities that are very creditworthy, low risk and liquid. The pool's investment strategy is to maintain a very creditworthy, laddered portfolio that is sufficiently liquid in order to meet participants' cash flow needs. The portfolio is typically comprised of U.S. agency securities and high-quality short-term instruments, resulting in a relatively short-weighted average maturity. The pool's liquidity is further enhanced by its high percentage (60% to 70% or more) of holdings in securities that mature in 180 days or less.

<sup>3</sup> These accounts are currently in the process of being closed and balances will be transferred to Pacific Premier Bank



## **FINANCIAL PACKAGE**

For the month ended March 31, 2023

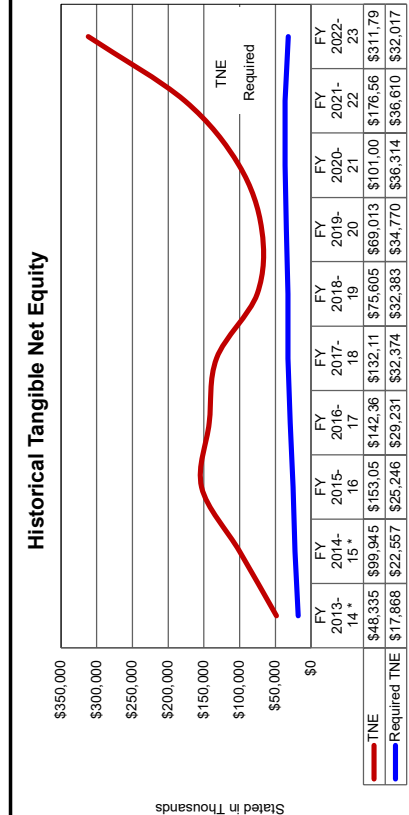
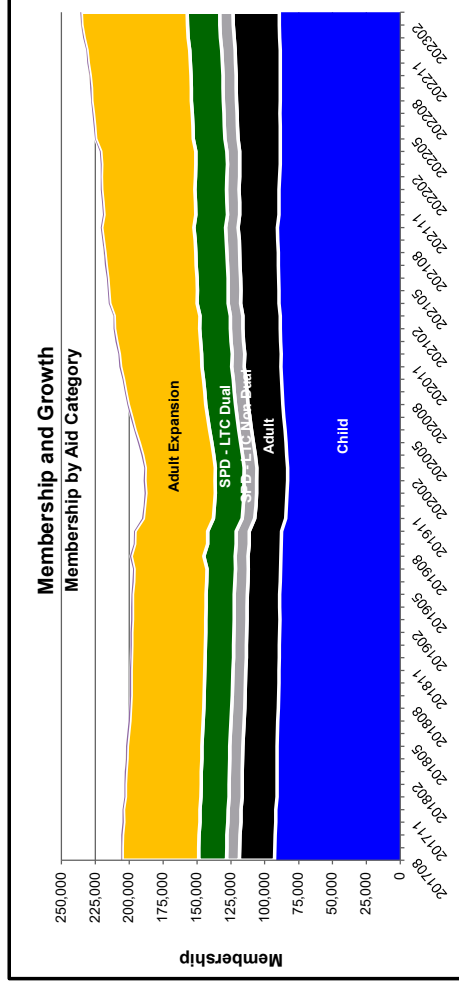
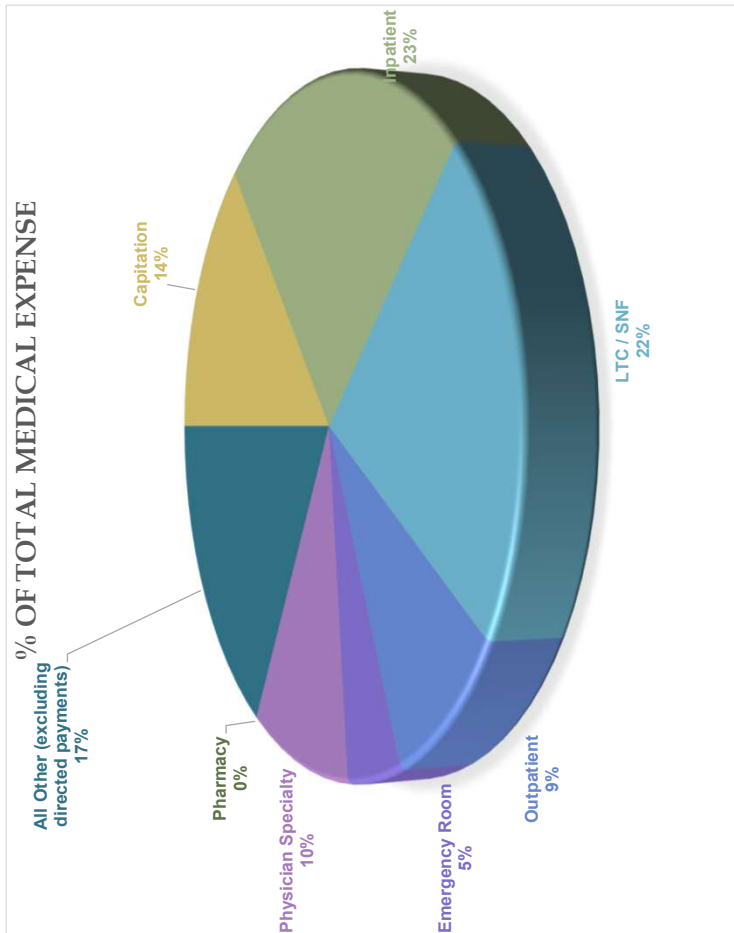
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- Executive Dashboard
- Statement of Financial Position
- Statement of Revenues, Expenses and Changes in Net Assets
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# Gold Coast Health Plan Executive Dashboard as of March 31, 2023

	FYTD 22/23 Budget*	FYTD 22/23 Actual	FYTD 21/22 Actual	FY 20/21 Actual
Average Enrollment	230,830	245,554	229,367	213,547
PMPM Revenue	\$ 364.88	\$ 333.81	\$ 347.72	\$ 358.22
<b>Medical Expenses</b>				
Capitation	\$ 32.84	\$ 34.43	\$ 32.44	\$ 34.03
Inpatient	\$ 77.98	\$ 54.90	\$ 68.62	\$ 66.52
LTC / SNF	\$ 48.97	\$ 52.85	\$ 59.92	\$ 55.42
Outpatient	\$ 26.73	\$ 22.46	\$ 22.59	\$ 23.16
Emergency Room	\$ 12.49	\$ 11.72	\$ 10.80	\$ 9.25
Physician Specialty	\$ 27.12	\$ 23.08	\$ 22.49	\$ 25.71
Provider incentives	\$ 2.60	\$ (0.00)	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ 29.71	\$ 62.07
All Other (excluding directed payments)	\$ 41.95	\$ 41.51	\$ 45.41	\$ 43.20
Total Per Member Per Month	\$ 270.68	\$ 240.96	\$ 291.97	\$ 319.36
Medical Loss Ratio	85.9%	74.9%	86.9%	92.1%
Total Administrative Expenses	\$ 54,617,039	\$ 53,415,248	\$ 53,680,738	\$ 49,637,603
% of Revenue	7.5%	7.2%	5.6%	5.4%
TNE	\$ 214,893,409	\$ 311,796,515	\$ 180,480,257	\$ 100,999,994
Required TNE	\$ 33,441,330	\$ 32,017,037	\$ 36,609,789	\$ 36,313,908
% of Required	643%	974%	493%	278%

\* Flexible Budget (uses actual membership & member mix against budgeted rates)



# STATEMENT OF FINANCIAL POSITION

	03/31/23	02/28/23	01/31/23
<b>ASSETS</b>			
<b>Current Assets:</b>			
<b>Total Cash and Cash Equivalents</b>	<b>301,176,251</b>	<b>285,892,678</b>	<b>267,299,777</b>
<b>Total Short-Term Investments</b>	<b>94,771,491</b>	<b>94,618,232</b>	<b>94,501,497</b>
Medi-Cal Receivable	94,498,491	99,602,061	94,949,569
Interest Receivable	346,127	241,865	171,045
Provider Receivable	588,448	1,354,311	476,350
Other Receivables	126,993	241,507	123,457
<b>Total Accounts Receivable</b>	<b>95,560,060</b>	<b>101,439,743</b>	<b>95,720,420</b>
Total Prepaid Accounts	6,626,388	3,287,590	3,017,126
Total Other Current Assets	135,560	135,560	135,560
<b>Total Current Assets</b>	<b>498,269,750</b>	<b>485,373,803</b>	<b>460,674,380</b>
<b>Total Fixed Assets</b>	<b>6,002,484</b>	<b>6,144,265</b>	<b>6,286,699</b>
<b>Total Assets</b>	<b>\$ 504,272,234</b>	<b>\$ 491,518,069</b>	<b>\$ 466,961,078</b>
<b>LIABILITIES &amp; NET ASSETS</b>			
<b>Current Liabilities:</b>			
Incurred But Not Reported	\$ 87,339,457	\$ 90,791,350	\$ 94,500,885
Claims Payable	12,638,276	22,371,500	19,487,088
Capitation Payable	8,523,112	8,412,986	8,296,351
Physician Payable	25,590,196	24,253,312	25,147,677
DHCS - Reserve for Capitation Recoup	28,496,136	27,855,935	27,182,036
Lease Payable- ROU	1,285,346	1,278,062	1,270,810
Accounts Payable	1,190,606	1,578,384	2,526,340
Accrued ACS	3,365,645	3,365,645	2,113,969
Accrued Provider Incentives/Reserve	8,577,469	8,496,565	8,415,969
Accrued Expenses	7,927,759	3,173,195	4,316,921
Accrued Payroll Expense	2,561,580	3,492,988	3,923,670
<b>Total Current Liabilities</b>	<b>187,495,582</b>	<b>195,069,922</b>	<b>197,181,716</b>
<b>Long-Term Liabilities:</b>			
Lease Payable - NonCurrent - ROU	4,980,137	5,089,357	5,198,100
<b>Total Long-Term Liabilities</b>	<b>4,980,137</b>	<b>5,089,357</b>	<b>5,198,100</b>
<b>Total Liabilities</b>	<b>192,475,719</b>	<b>200,159,279</b>	<b>202,379,816</b>
<b>Net Assets:</b>			
Beginning Net Assets	176,562,922	176,562,922	176,562,922
Total Increase / (Decrease in Unrestricted Net Assets)	135,233,592	114,795,868	88,018,340
<b>Total Net Assets</b>	<b>311,796,515</b>	<b>291,358,790</b>	<b>264,581,262</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$ 504,272,234</b>	<b>\$ 491,518,069</b>	<b>\$ 466,961,078</b>

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
FOR MONTH ENDED March 31, 2023**

	March 2023		March 2023 Year-To-Date		Variance Fav / (Unfav)	Variance %	March 2023 Year-To-Date		Variance Fav / (Unfav)
	Actual	Budget	Actual	Budget					
Membership (includes retro members)									
Revenue	251,053					6%			
Premium									
Reserve for Cap Requirements	\$ 88,709,790		\$ 783,905,361	\$ 799,432,672	\$ (15,527,311)	-2%	\$ 354.71	\$ 384.81	\$ (30.10)
Incentive Revenue	-		-	-	-	0%	-	-	-
MCO Premium Tax	-		4,405,886	6,951,975	(2,546,089)	-37%	1.99	3.35	(1.35)
Total Net Premium	88,709,790		(50,605,116)	(74,818,040)	24,212,923	-32%	(22.90)	(36.01)	13.12
			737,706,131	731,566,608	6,139,523	0.8%	333.81	352.14	(18.34)
Other Revenue:									
Miscellaneous Income	90		660	-	660	0%	0.00	-	0.00
Total Other Revenue	90		660	-	660	0%	0.00	-	0.00
			737,706,791	731,566,608	6,140,183	1%	333.81	352.14	(18.34)
Medical Expenses:									
Capitation									
PCP, Specialty, Kaiser, NEMT & Vision	8,358,157		73,561,244	72,585,028	(976,216)	-1%	33.29	34.94	1.65
ECM	298,242		2,538,751	6,144,557	3,605,807	59%	1.15	2.96	1.81
Total Capitation	8,656,399		76,099,995	78,729,585	2,629,590	3%	34.43	35.62	1.19
FFS Claims Expenses:									
Inpatient	13,316,412		121,332,461	172,334,868	51,002,407	30%	54.90	82.95	28.05
LTC / SNF	13,279,233		116,797,577	108,229,402	(8,568,175)	-8%	52.85	52.10	(0.75)
Outpatient	5,263,555		49,633,665	59,083,892	9,450,227	16%	22.46	28.44	5.98
Laboratory and Radiology	1,267,443		7,185,161	7,134,630	(50,531)	-1%	3.25	3.43	0.18
Directed Payments - Provider	2,938,747		22,542,556	18,235,841	(4,306,715)	-24%	10.20	8.78	(1.42)
Emergency Room	2,728,262		25,904,992	27,600,612	1,695,620	6%	11.72	13.29	1.56
Physician Specialty	6,158,320		51,014,290	59,924,298	8,910,007	15%	23.08	28.84	5.76
Primary Care Physician	1,969,326		19,548,991	22,434,502	2,885,510	13%	8.85	10.80	1.95
Home & Community Based Services	1,581,202		16,625,498	22,016,331	5,390,833	24%	7.52	10.60	3.07
Applied Behavioral Analysis/Mental Health Ser	2,280,126		23,054,832	26,654,111	3,599,279	14%	10.43	12.83	2.40
Pharmacy	-		(1,653)	-	1,653	0%	(0.00)	-	0.00
Adult Expansion Reserve	-		-	-	-	0%	-	-	-
Provider Reserve / Provider Incentives	80,904		1,799,054	5,751,052	3,951,998	69%	0.81	2.77	1.95
Other Medical Professional	208,715		2,615,768	3,392,655	776,887	23%	1.18	1.63	0.45
Other Medical Care			-	-	-	0%	-	-	-
Other Fee For Service	306,795		7,309,723	9,376,362	2,066,639	22%	3.31	4.51	1.21
Transportation	(3,262)		1,578,075	1,689,691	111,617	7%	0.71	0.81	0.10
Total Claims	51,375,779		466,940,990	543,858,247	76,917,256	14%	211.29	261.79	50.50
Medical & Care Management Expense	1,801,658		14,957,046	14,124,804	(832,242)	-6%	6.77	6.80	0.03
Reinsurance	296,481		916,422	794,237	(122,185)	-15%	0.41	0.38	(0.03)
Claims Recoveries	419,469		(3,846,731)	(3,154,617)	692,114	-22%	(1.74)	(1.52)	0.22
Sub-total	2,517,608		12,026,737	11,764,424	(262,313)	-2%	5.44	5.66	0.22
Total Cost of Health Care	62,549,786		555,067,722	634,352,256	79,284,533	12%	250.01	302.39	52.38
Contribution Margin	26,160,095		182,639,069	97,214,352	85,424,716	88%	83.79	49.75	34.04
General & Administrative Expenses:									
Salaries, Wages & Employee Benefits	3,043,493		31,438,308	27,764,445	(3,673,863)	-13%	14.23	13.36	(0.86)
Training, Conference & Travel	25,918		148,436	491,783	343,347	70%	0.07	0.24	0.17
Outside Services	2,087,299		20,712,161	21,003,883	291,721	1%	9.37	10.11	0.74
Professional Services	407,287		3,671,725	3,824,124	152,399	4%	1.66	1.84	0.18
Occupancy, Supplies, Insurance & Others	925,078		7,370,750	8,758,470	1,387,719	16%	3.34	4.22	0.88
Care Management ReClass to Medical	(1,784,988)		(14,849,543)	(14,124,804)	724,739	-5%	(6.72)	(6.80)	(0.08)
G&A Expenses	4,704,087		48,491,837	47,717,900	(773,937)	-2%	21.94	22.97	1.03
Project Portfolio	2,113,347		4,923,411	6,899,139	1,975,728	29%	2.23	3.32	1.09
Total G&A Expenses	6,817,434		53,415,248	54,617,039	1,201,791	2%	24.17	26.29	2.12
Total Operating Gain / (Loss)	19,342,661		129,223,821	42,597,314	86,626,507	203%	59.62	23.46	36.16
Non Operating									
Revenues - Interest	1,095,064		6,009,771	120,900	5,888,872	4871%	2.72	0.06	2.66
Gain/(Loss) on Sale of Asset	-		-	-	-	0%	-	-	-
Total Non-Operating	1,095,064		6,009,771	120,900	5,888,872	4871%	2.72	0.06	2.66
Total Increase / (Decrease) in Unrestricted Net Assets	\$ 20,437,725		\$ 135,233,592	\$ 42,718,214	\$ 92,515,379	217%	\$ 62.34	\$ 23.52	\$ 38.82

<b>STATEMENT OF CASH FLOWS</b>	<b>March 2023</b>	<b>FYTD 22-23</b>
<b>Cash Flows Provided By Operating Activities</b>		
Net Income (Loss)	\$ 20,437,725	\$ 135,233,592
<b>Adjustments to reconciled net income to net cash provided by operating activities</b>		
Depreciation on fixed assets	141,782	1,297,483
Disposal of fixed assets	-	-
Amortization of discounts and premium	-	-
<b>Changes in Operating Assets and Liabilities</b>		
Accounts Receivable	5,879,683	5,840,096
Prepaid Expenses	(3,338,798)	(4,478,847)
Accrued Expense and Accounts Payable	4,163,766	9,564,963
Claims Payable	(8,286,214)	(12,354,794)
MCO Tax liability	-	(21,565,800)
IBNR	(3,451,892)	(17,119,724)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>15,546,051</u>	<u>96,416,970</u>
<b>Cash Flow Provided By Investing Activities</b>		
Proceeds from Restricted Cash & Other Assets		
Proceeds from Investments	(153,260)	(1,344,289)
Purchase of Property and Equipment	-	(210,265)
<b>Net Cash (Used In) Provided by Investing Activities</b>	<u>(153,260)</u>	<u>(1,554,554)</u>
<b>Cash Flow Provided By Financing Activities</b>		
Lease Payable - ROU	(109,219)	(966,020)
<b>Net Cash Used In Financing Activities</b>	<u>(109,219)</u>	<u>(966,020)</u>
<b>Increase/(Decrease) in Cash and Cash Equivalents</b>	15,283,572	93,896,395
<b>Cash and Cash Equivalents, Beginning of Period</b>	<u>285,892,678</u>	<u>207,279,855</u>
<b>Cash and Cash Equivalents, End of Period</b>	<u><u>301,176,250</u></u>	<u><u>301,176,250</u></u>



## SCHEDULE OF INVESTMENTS AND CASH BALANCES

	<b>Market Value*</b>	
	<b>March 31, 2023</b>	<b>Account Type</b>
Local Agency Investment Fund (LAIF) <sup>1</sup>	\$ 40,693,939	investment
Ventura County Investment Pool <sup>2</sup>	\$ 18,528,528	investment
CalTrust	\$ 35,549,024	short-term investment
Bank of West	\$ 296,644,696	money market account
Bank	\$ 4,531,054	operating accounts
Mechanics Bank <sup>3</sup>	\$ -	operating accounts
Petty Cash	\$ 500	cash
<b>Investments and monies held by GCHP</b>	<b>\$ 395,947,740</b>	

	<b>Mar-23</b>	<b>FYTD 22-23</b>
<b>Local Agency Investment Fund (LAIF)</b>		
Beginning Balance	\$ 40,693,939	\$ 40,269,787
Transfer of Funds from Ventura County Investment Pool	-	-
Quarterly Interest Received	-	424,152
Quarterly Interest Adjustment	-	-
<b>Current Market Value</b>	<b>\$ 40,693,939</b>	<b>\$ 40,693,939</b>
	-	-
<b>Ventura County Investment Pool</b>		
Beginning Balance	\$ 18,528,528	\$ 18,377,308
Transfer of funds to LAIF	-	-
Interest Received	-	151,220
<b>Current Market Value</b>	<b>\$ 18,528,528</b>	<b>\$ 18,528,528</b>
	-	-

\*Source of valuation is monthly statements

### Notes:

<sup>1</sup> This program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the State Treasurer's Office investment staff at no additional cost to the taxpayer. The LAIF is part of the Pooled Money Investment Account (PMIA). The PMIA began in 1955 and oversight is provided by the Pooled Money Investment Board (PMIB) and an in-house Investment Committee. The PMIB members are the State Treasurer, Director of Finance, and State Controller. All securities are purchased under the authority of Government Code Section 16430 and 16480.4. The State Treasurer's Office takes delivery of all securities purchased on a delivery versus payment basis using a third party custodian. All investments are purchased at market and a market valuation is conducted monthly.

<sup>2</sup> The Ventura County Treasury Portfolio is for local public governments, agencies, and school districts within Ventura County. Steven Hintz, Ventura County Treasurer-Tax Collector, actively manages the pool by performing ongoing analysis of investment opportunities, and by planning, coordinating, and controlling the investment activities in accordance with the California Government Code and with the county's internal investment guidelines. This is done in order to meet cash flow needs and to ensure the safety and liquidity of all investments. Wells Fargo Bank N.A. serves as custodian for the pool's investments.

The Ventura County Treasury Portfolio provides safety of principal, liquidity and a competitive rate of return. Investments are comprised of securities that are very creditworthy, low risk and liquid. The pool's investment strategy is to maintain a very creditworthy, laddered portfolio that is sufficiently liquid in order to meet participants' cash flow needs. The portfolio is typically comprised of U.S. agency securities and high-quality short-term instruments, resulting in a relatively short-weighted average maturity. The pool's liquidity is further enhanced by its high percentage (60% to 70% or more) of holdings in securities that mature in 180 days or less.

<sup>3</sup> These accounts are currently in the process of being closed and balances will be transferred to Pacific Premier Bank

# Financial Statements

## *February 2023 & March 2023*

Jamie Louwerens  
Senior Director, Finance

April 24, 2023

# Financial Overview



Feb-2023 NET GAIN      \$ 26.8 M  
Mar-2023 NET GAIN      \$ 20.4 M



2022-23 FYTD NET GAIN    \$135.2 M



TNE is \$311.8 M and 974% of the  
minimum required

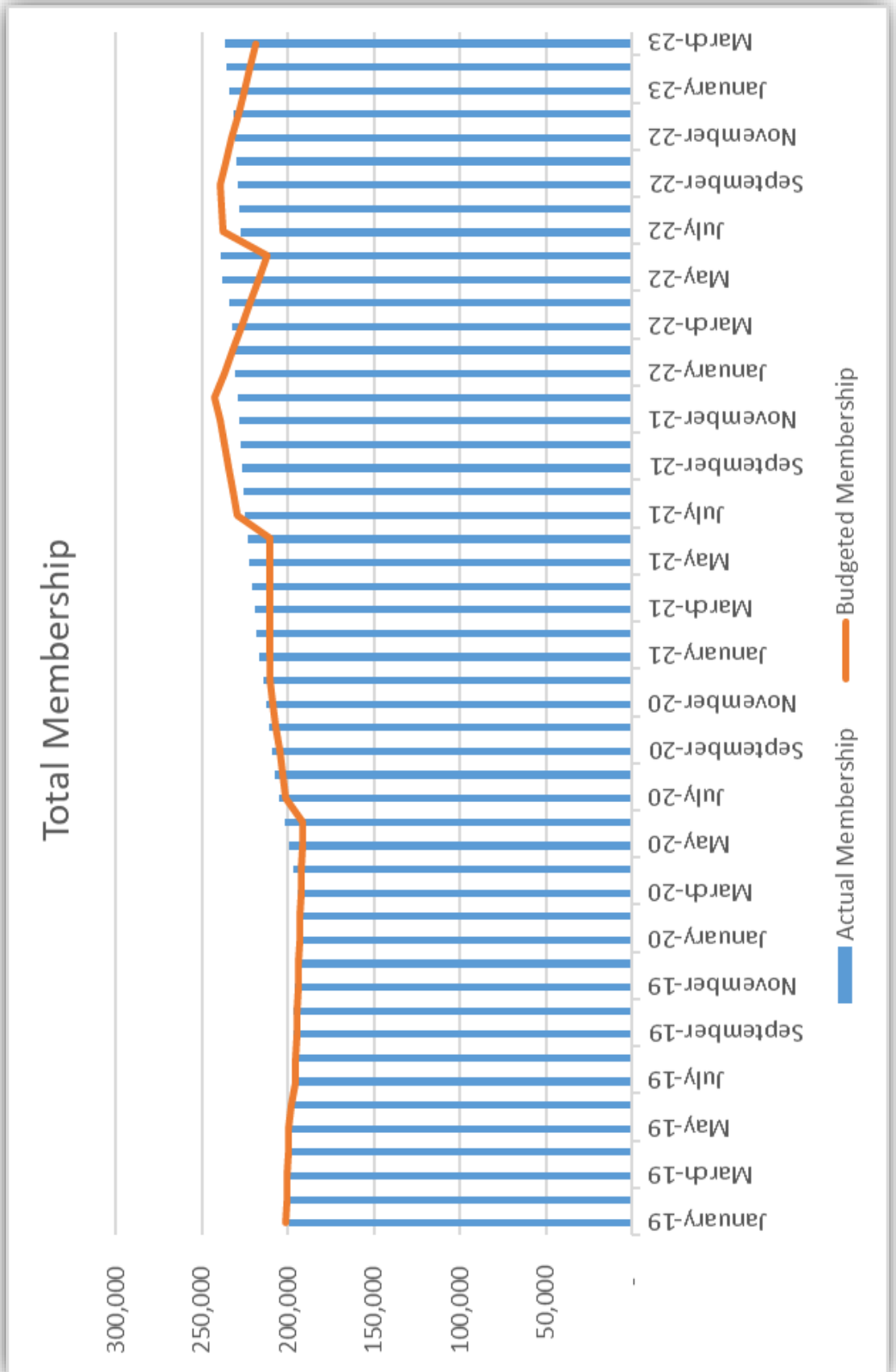


MEDICAL LOSS RATIO      74.9%

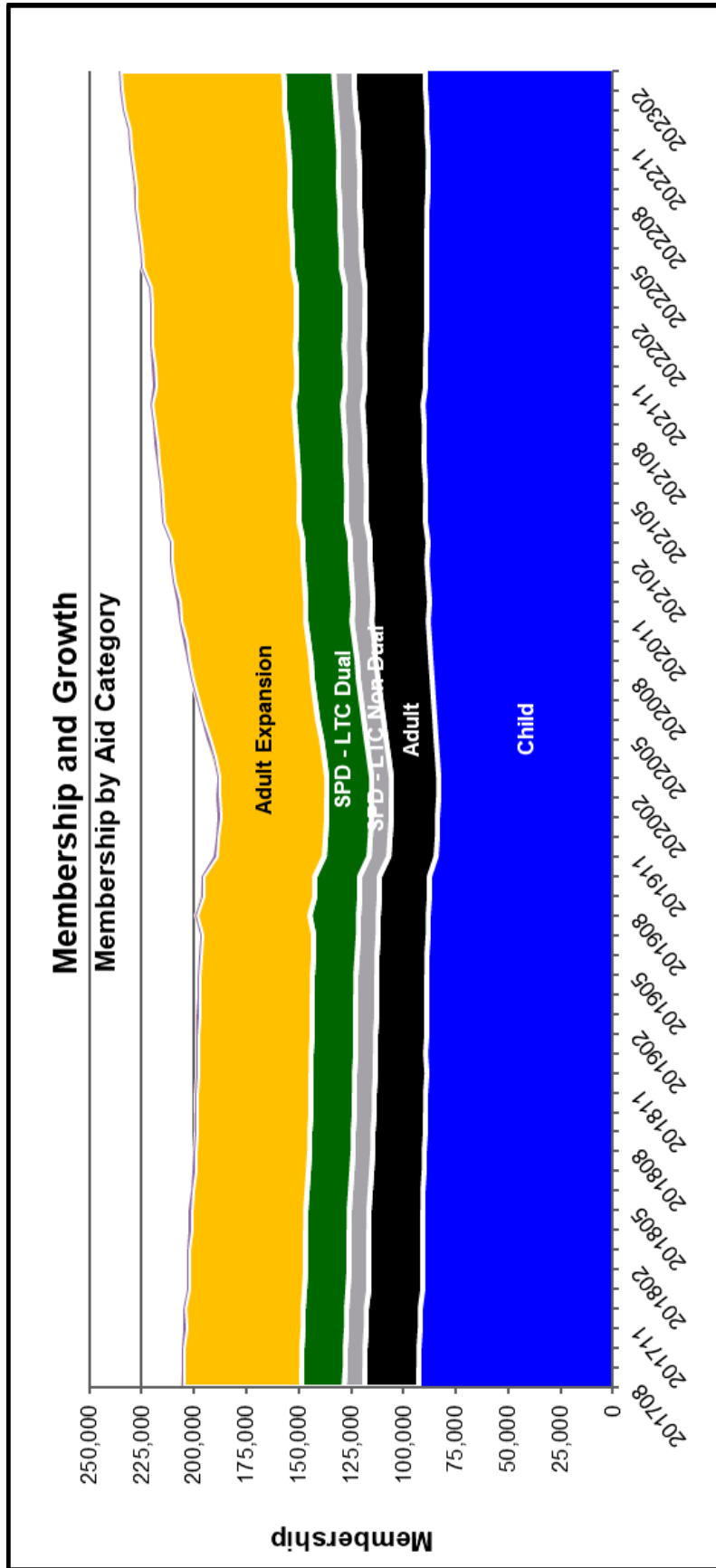


ADMINISTRATIVE RATIO    7.2%

# Membership Trends



# Membership Trends



# Revenue

FYTD net premium revenue is \$737.7.7 million favorable to budget by \$6.1 million primarily due to:

1. \$13.1M CY2023 rates more favorable than budgeted
2. \$0.8M- maternity supplemental revenue favorable to budget

Offset by:

3. \$3.8M- ECM Risk Corridor adjustments not in budget
4. \$2.5M- timing of vaccine incentives and CalAIM incentive receipts versus budget.
5. \$1.5M- MCO Tax unfavorable to budget

# Medical Expenses

FYTD Health care costs are \$555.1 million and \$79.3 million and 12% under budget.

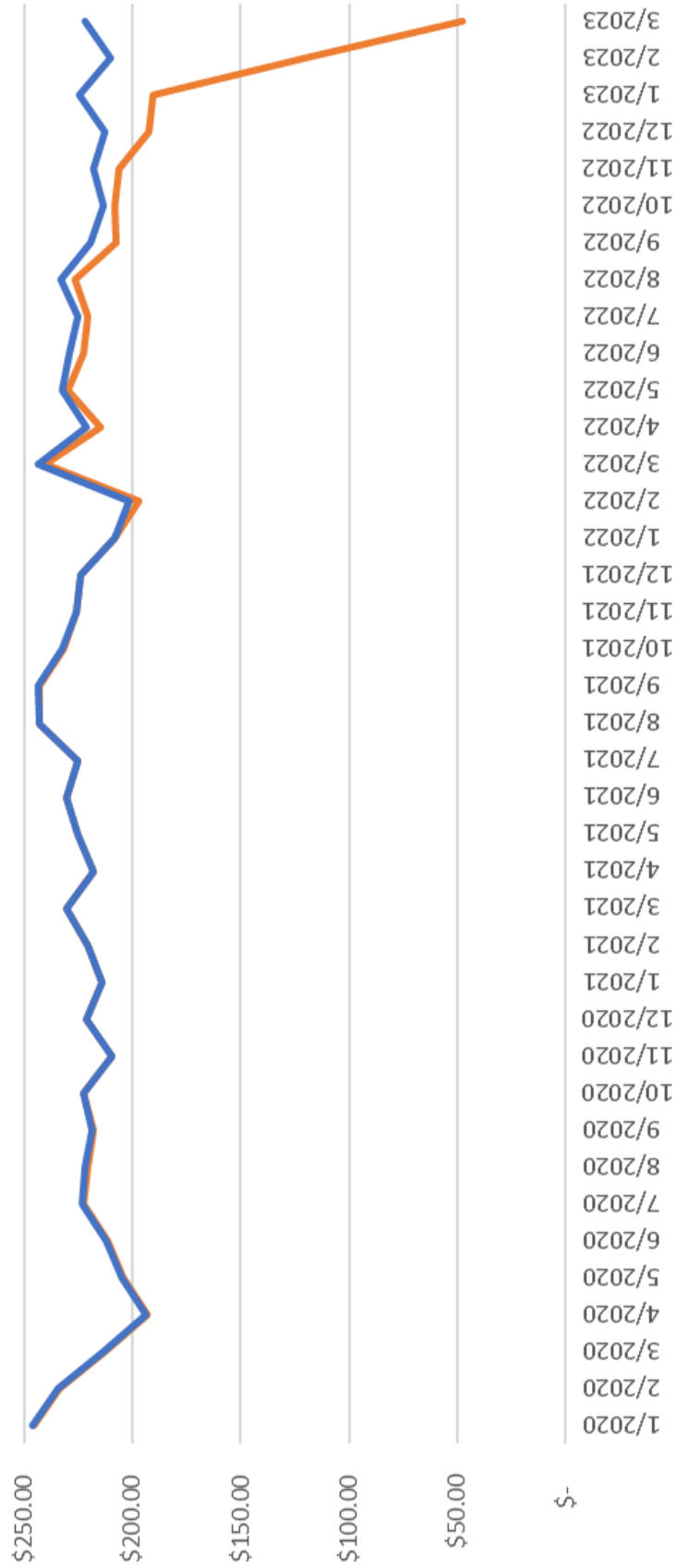
Medical loss ratio is 74.9%, a 11.0% favorable budget variance.

Continuation of PHE through 2022 and pause on redeterminations has led to a significant increase in membership with a less acute total population as compared to how we budgeted our medical expenses for FY22-23.

# Medical Expense Reserve

## Incurred But Not Paid (IBNP)

Total Completed PMPM v Paid PMPM

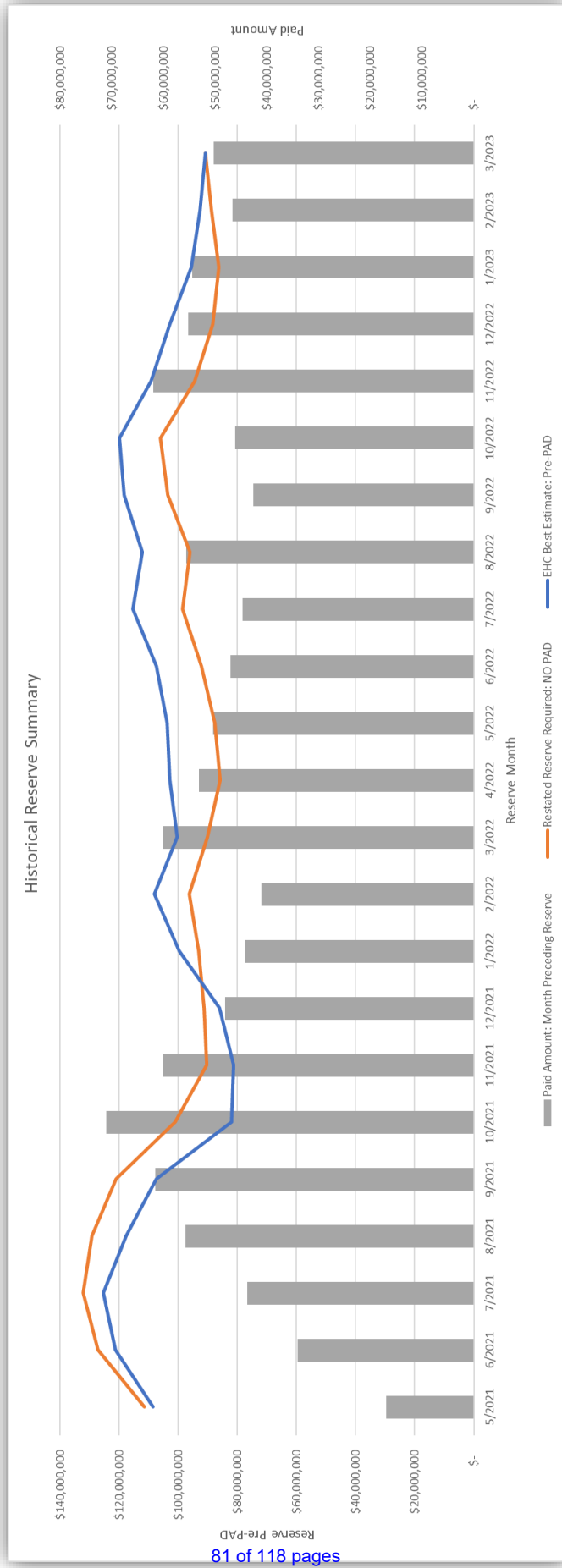


Comparison of Complete Estimates and Paid Data



# Medical Expense Reserve

## Incurred But Not Paid (IBNP)



# Administrative Expenses

For the fiscal year-to-date period through March 2023, administrative costs were \$53.4 million and \$1.2 million under budget.

As a percentage of revenue, the administrative cost ratio (or ACR) was 7.2% versus 7.4% for budget.

# Financial Statement Summary

	February 2023	March 2023	FYTD Actual	FYTD Budget	Budget Variance
Net Capitation Revenue	\$ 84,250,161	\$ 88,709,790	\$ 737,706,131	\$ 731,566,608	\$ 6,139,523
Health Care Costs	52,947,573	62,549,786	555,067,722	634,352,256	(79,284,533)
<b>Medical Loss Ratio</b>			<b>75.2%</b>	<b>86.7%</b>	
Administrative Expenses	5,354,187	6,817,434	53,415,248	54,617,039	(1,201,791)
<b>Administrative Ratio</b>			<b>7.2%</b>	<b>7.3%</b>	
Non-Operating Revenue/(Expense)	829,127	1,095,154	6,010,431	120,900	5,889,532
Total Increase/(Decrease) in Net Assets	\$ 26,777,528	\$ 20,437,725	\$ 135,233,592	\$ 42,718,214	\$ 92,515,379
Cash and Investments		\$ 395,947,742			
GCHP TNE		\$ 311,796,515			
Required TNE		\$ 32,017,037			
<b>% of Required</b>		<b>974%</b>			

# Questions?

Staff requests the Commission approve the unaudited financial statements for February 2023 and March 2023.

## **AGENDA ITEM NO. 7**

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Nick Liguori, Chief Executive Officer

DATE: April 24, 2023

SUBJECT: Chief Executive Officer (CEO) Report

### **I. EXTERNAL AFFAIRS:**

#### **A. State: Budget Hearings**

The Government Relations Team continues to attend various legislative hearings to monitor proposed legislation that may impact GCHP members and track Medi-Cal priorities from the state Department of Health Care Services (DHCS) that will be included in the FY 2023-24 Budget and impact Medi-Cal managed care plans (MCPs).

Next month, Gov. Gavin Newsom will release the May Revise, which is the amended version of the budget proposed in January. The Government Relations Team will provide a detailed analysis of revisions made to the state budget at the May 22, 2023, Commission meeting.

Recent hearings have focused on the end of the federal Public Health Emergency (PHE), which is expected to end statewide on May 11, 2023, (Ventura County's local health emergency due to COVID-19 ended on Feb. 28, 2023), expansion of the California Advancing and Innovating Medi-Cal (CalAIM) program, and the proposed renewal of the Managed Care Organization (MCO) tax.

Although the details surrounding the ending of the federal PHE was not incorporated into the governor's January budget, we expect to see this information in the revised May budget. As previously reported, the budget also includes \$844 million to expand full-scope Medi-Cal coverage to adults ages 26-49, regardless of immigration status, effective Jan. 1, 2024. Below you will find details on the ending of the PHE in California, CalAIM investments and changes, and the anticipated implementation of the MCO tax.

#### **PHE Unwinding:**

- The federal government released guidance to wind down PHE policies, including the continuous coverage requirement and enhanced federal funding. In anticipation of the end of the federal PHE, DHCS released revised guidance (APL 20-004) for Medi-Cal plans on temporary changes to federal requirements as a result of the

PHE. APL 20-004 rescinds flexibilities around State Fair Hearing time frames, provider enrollment, and the provision of care in alternate settings while maintaining many of the flexibilities around telehealth and continuing to permit pharmacy dispensing of Subcutaneous Depot Medroxyprogesterone. The state anticipates that approximately 2.7 million people will leave the Medi-Cal program once the PHE is completely lifted. In Ventura County, it is estimated that up to 50,000 people could lose Medi-Cal benefits once redeterminations are completed. These estimates will be included in the May Revise.

#### CalAIM Waivers:

- **Transitional Rent:** DHCS plans to acquire an amendment to the CalAIM 1115 waiver for a new Community Support for Transitional Rent that MCPs can offer to members. Transitional Rent will provide up to six months of housing to eligible individuals who are at-risk of homelessness, experiencing homelessness, or transitioning out of certain institutions of care. The addition of the new benefit will strengthen the housing supports that GCHP currently offers to members, including housing deposits, housing sustaining services, and housing transition navigation.

#### Family Planning and Reproductive Health:

- DHCS will also seek an 1115 demonstration waiver to increase access to family planning and related services for Medi-Cal enrollees and strengthen the state's reproductive-health safety net. GCHP currently covers most family planning services, including pregnancy testing, birth control services, or services for sexually transmitted infections. To supplement the limitations of the Hyde Amendment that prohibit the use of federal funds for abortion services, GCHP provides, with few exceptions, coverage for abortion services from Medi-Cal providers without a referral or prior authorization.

#### MCO Tax Renewal:

- DHCS has proposed a three-year MCO tax renewal from Jan. 1, 2024, through Dec. 31, 2026. The MCO tax will support the Medi-Cal program, offset General Fund Medi-Cal spending, ensure seamless access to services for members, and prevent the need for program reductions. Although the Administration has not publicized a finalized MCO proposal, it is anticipated that the new MCO tax will follow the same structure as the prior tax and impose a minimal net cost on the health insurance industry. The proposed MCO provider tax would be beneficial to the Medi-Cal program and infrastructure to offset an estimated \$6.5 billion in General Fund costs in Medi-Cal through FY 2026-27.

#### Increased Access to Coverage:

- \$844.5 million is included to expand access for all Californians and provide full-scope Medi-Cal coverage to income-eligible individuals regardless of their immigration status (ages 26 through 49) starting Jan. 1, 2024. Currently,

Californians who are 25 years or younger and those 50 and older are eligible for full-scope Medi-Cal coverage.

## B. State: Legislative Bills

The GCHP Government Relations team has also been closely monitoring proposed legislative bills that may impact GCHP members and/or operations. Below is a list of priority Bills that the team is currently monitoring. Many are aimed at increasing access to services and enhancing the CalAIM program. The deadline for bills with fiscal costs to pass out of policy committee in its house of origin is April 28, 2023. We will continue to update this list as bills move through the state Senate and Assembly.

Bill Number	Summary	GCHP Impacts
<b>SB 299 (Eggman) Medi-Cal: Redetermination</b>	SB 299 amends existing law and would remove “loss of contact with a beneficiary, as evidenced by the return of mail,” as a circumstance requiring prompt redetermination and would delete the requirement for a county to send a notice of action terminating eligibility if the pre-populated form is returned and the purpose for the redetermination is loss of contact with the beneficiary.	<p>The Ventura County Human Services Agency resumes redetermination requirements for beneficiaries with a June 2023, redetermination date in accordance with state and federal laws.</p> <p>This bill provides protections for Medi-Cal beneficiaries to ensure coverage is not terminated based on returned mail indicating the mail could not be delivered to the intended recipient or when there is no forwarding address available. SB 299 will help reduce barriers to maintaining continuous Medi-Cal coverage for members.</p> <p><i>SB 299 passed with amendments and was re-referred to the Committee on Appropriations on March 22, 2023. It is currently held in the Senate Committee on Appropriations.</i></p>

Bill Number	Summary	GCHP Impacts
<p><b>AB 1202 (Lackey) Medi-Cal: Time or Distance Standards - Children's Health Care Services</b></p>	<p>AB 1202 requires DHCS to conduct an analysis to identify the number of Medi-Cal providers needed to ensure adequate access to children's health care services in complying with Medi-Cal time and distance standards by Jan. 1, 2025.</p> <p>This Bill also requires DHCS to issue a publicly available report no later than July 1, 2024, with information for calendar years 2019-2022. The report shall include the number of persons ages 18 and younger and pregnant persons who are Medi-Cal beneficiaries receiving specified services as detailed in the bill.</p>	<p>This bill adds GCHP reporting requirements related to time and distance standards for pediatric primary care. Reporting would be due Jan. 1, 2025, as currently drafted. AB 1202 aligns with current DHCS priorities. DHCS recently issued guidance (APL 23-001) on the Annual Network Certification (ANC), which strengthens the requirements for MCPs to submit current statistics on the composition of providers and information on whether the MCP network provides all medically necessary services for its membership.</p> <p><i>AB 1202 is active; passed out of the Health Committee with amendments and has been re-referred to the Appropriations Committee.</i></p>



Bill Number	Summary	GCHP Impacts
<b>AB 236 (Holden) Health Care Coverage: Provider Directories</b>	<p>AB 236 mandates health plans to ensure provider directories are up-to-date and accurate on an annual basis. Plans will be mandated to delete erroneous information and ensure their directory is 60% accurate by Jan. 1, 2024, and 95% accurate by Jan. 1, 2027. Beginning on July 1, 2024, plans are required to remove providers from their directory if plans have not financially compensated that provider in the prior year, with some limited exceptions. Failure to meet deadlines and inaccurate provider listings will result in monetary penalties for the plan.</p>	<p>This bill requires plans with Knox-Keene licensure to implement additional processes to review and update provider directories beginning Jan. 1, 2024. This bill complements APL 23-001, which supports network adequacy efforts by increasing the capacity of network providers and ensuring time and distance standards are met for all medically necessary services. GCHP is compliant with existing provider directory requirements, including providing a current and continuously updated directory of network providers. Upon becoming Knox-Keene licensed, GCHP would need to build additional processes to routinely pull data on providers who have not been financially compensated in the prior year and remove those providers from the provider directory.</p> <p><i>AB 236 is active; passed the Committee on Health with amendments, and has been re-referred to the Appropriations Committee.</i></p>

Bill Number	Summary	GCHP Impacts
<b>AB 425 (Alvarez) Medi-Cal: Pharmacogenomic Testing</b>	Although Medi-Cal covers biomarker testing, AB 425 would establish pharmacogenomic testing as a separate covered benefit under Medi-Cal and specify the conditions necessary to access this benefit, including if a medication is being used or considered to treat a Medi-Cal beneficiary and is known clinically to have a gene-drug or drug-drug-gene reaction. By proactively employing evidence-based technologies to determine how an individual's genetics interact with certain medications, there is expected to be less harmful drug reactions.	<p>GCHP will be required to cover pharmacogenomic testing, subject to utilization controls. The fiscal impact of covering the testing compared with the reductions in adverse drug reactions is under review. Currently, all Medi-Cal beneficiaries have coverage for biomarker testing, which includes pharmacogenomics testing. This bill will ensure that pharmacogenomic testing is its own covered benefit under Medi-Cal.</p> <p><i>AB 425 is active and has been amended and re-referred to the Committee on Appropriations.</i></p>
<b>AB 586 (Calderon) Medi-Cal: Community Supports - Climate Change or Environmental Remediation Devices</b>	AB 586 adds climate change or environmental remediation devices as an additional Community Support under the CalAIM initiative. Examples of devices include air conditioners, electric heaters, and backup power sources.	<p>The inclusion of climate change or environmental remediation devices provides GCHP with additional flexibility in offering Community Supports to members.</p> <p>Currently, GCHP offers environmental accessibility adaptations, which include physical modifications such as stairlifts, ramps, and widened doorways to increase accessibility in the home. Through personal homemaker services, GCHP aids with daily living activities, including bathing, feeding, and dressing for eligible members. Climate change remediation would further assist Members and provide access to heating, cooling, air quality control, and generators to help during extreme weather and other climate occurrences.</p> <p><i>AB 356 is active and was re-referred to the Committee on Health with amendments.</i></p>

Bill Number	Summary	GCHP Impacts
<b>AB 1085 (Maienschein) Medi-Cal: Housing Support Services</b>	<p>Within six months of completion of an independent network capacity study, this bill requires DHCS to seek federal approval to make housing support services a Medi-Cal benefit. If the study finds insufficient network adequacy, DHCS must provide recommendations for building capacity and a timeline for implementation.</p>	<p>GCHP currently offers:</p> <ul style="list-style-type: none"> <li>• Housing deposits, which are one-time funding for security deposits, first month's utilities, and home health care equipment.</li> <li>• Housing tenancy and sustaining services, which include education on money management and maintaining housing.</li> <li>• Housing transition navigation, which encompasses assistance with identifying and acquiring housing.</li> </ul> <p>Additional federal funding for housing supports may increase funding streams available to GCHP to expand these services for at-risk members and ensure the complex needs of members are met.</p> <p><i>AB 1085 is active; passed out of the Health Committee and has been re-referred to the Appropriations Committee with amendments.</i></p>

Bill Number	Summary	GCHP Impacts
<b>AB 1338 (Petrie-Norris) Medi-Cal: Community Supports</b>	AB 1338 adds fitness, physical activity, recreational sports, and mental wellness memberships as an additional Community Support under CalAIM.	<p>AB 1338 enhances other Community Supports that GCHP currently offers. GCHP provides medically supportive food for eligible members following hospitalization. GCHP also provided personal homemaker services, which include meal preparation and money management. This new Community Support will assist with whole-person health as well as reduce costs for members, as memberships to fitness and mental wellness centers are typically costly.</p> <p><i>AB 1338 is active and have been referred to the Committee on Health.</i></p>

### C. Community Relations – Sponsorships

Through its sponsorship program, Gold Coast Health Plan (GCHP) supports the efforts of community-based organizations in Ventura County to help Medi-Cal members and other vulnerable populations. The following organizations were awarded sponsorships in March:

Organization	Description	Amount
Proyecto Esperanza	Proyecto Esperanza serves low-income families in the Santa Clara Valley by connecting them to community resources. This sponsorship will support the “4 <sup>th</sup> Annual Cinco de Mayo Car and Bike show,” an event that funds their youth scholarship and food distribution programs.	\$1,000
Cancer Support Community Valley / Ventura / Santa Barbara (CSCVVSb)	Cancer Support Community serves to ensure that all people impacted by cancer are empowered by knowledge, strengthened by action, and sustained by community. The sponsorship will go toward the “5 <sup>th</sup> Annual Hope Walk,” which raises awareness and funds to support services and programs that are provided at no cost to those affected by cancer in Ventura County.	\$500

Organization	Description	Amount
Rebozo Festival, Inc.	Rebozo Festival, Inc. raises funds for Ventura County non-profit charitable organizations. The sponsorship will support the "19 <sup>th</sup> Annual Rebozo Festival" that will benefit Ventura County organizations that focus on cultural, social, and educational needs in the community.	\$500
<b>TOTAL</b>		<b>\$2,000</b>

#### D. Community Relations – Community Meetings and Events

In March and April, the Community Relations team participated in various collaborative meetings and community events. The purpose of these events is to connect with our community partners and members to ensure they are aware of how to access the services that are available for the most vulnerable Medi-Cal beneficiaries.

Organization	Description	Date
Oxnard Community College 2023 Oxnard College Job Fair (In partnership with GCHP's Human Resources team)	Oxnard Community College offers equitable access to multiple educational and career pathways. The 2023 Oxnard College Job Fair offers students an opportunity to engage with employers / recruiters to learn about various career fields and opportunities. Participants learned about GCHP's career opportunities and how services are provided to our members.	March 7, 2023
Ventura County Public Health Ventura County - Action on Smoking and Health (VC-ASH)	VC-ASH is a coalition that meets bi-monthly to mobilize participants to advocate for the reduction of tobacco product use and exposure in Ventura County. The group discusses strategies to engage the community on their efforts and provides taskforce updates.	March 8, 2023
California Lutheran University CLU Career & Intern Expo (In partnership with GCHP's Human Resources team)	CLU aims to educate leaders for a global society. The Career & Intern Expo brings various employers / recruiters to share career opportunities with graduating students. Participants learned about GCHP's career opportunities and how services are provided to our members.	March 8, 2023

Organization	Description	Date
Ventura County Community Development Corporation (VCCDC) Family Financial Well-Being Collaborative Meeting	The Family Financial Well-Being Collaborative advocates on behalf of families and individuals to address barriers to financial well-being in a holistic way. The collaborative works to address the following needs that impact low-to-moderate income households: employment and economic security, housing affordability and security, and supportive community resources.	March 9, 2023
Oxnard Union High School District (OUHSD) 38 <sup>th</sup> Annual Student Career Expo	OUHSD serves to build prosperity in our community through college readiness and career preparation for all students. The annual career expo offers high school students an opportunity to learn about various employers / recruiters and the different career pathways available to them. GCHP staff shared career opportunities available and how services and benefits are provided to our members.	March 17, 2023
Alzheimer's Association California Central Coast Chapter Purple Sunday Community Forum	The Alzheimer's Association leads the way to end Alzheimer's and all other dementia. The Purple Sunday is a community forum that raises awareness about Alzheimer's and other dementias and where various organizations offer community resources and information to participants.	March 19, 2023
Sunkist Elementary School Open House	The Open House is an event for parents / guardians to connect with the school and engage with community organizations. Participants learn about resources available to them.	March 21, 2023
Adelante Comunidad Conejo Open-Air Marketplace	The open-air free marketplace / food pantry provides low-income individuals with food boxes and connects them to community resources.	March 25, 2023
Indivisible Ventura Swap Meet Justice Citizen & Family Resource Fair	The Swap Meet Justice at Oxnard College is a citizen and family resource fair. Various community organizations share resources and information to participants.	March 26, 2023
Nyeland Promise Nyeland Acres Spring Health Fair	The Nyeland Promise serves to provide residents with support, resources, advocacy, services and basic needs to transform their lives. The Spring Health Fair offers participants health-related education, free health screenings, and community resources.	April 1, 2023

Organization	Description	Date
Oxnard Police Department Outreach Coordinators meeting	Community partners share resources, promote outreach events, and bring presenters to educate participants. The goal is to bring community awareness and resources to Ventura County residents.	April 5, 2023
Partnership for Safe Families Strengthening Families Collaborative Meeting	The Partnership for Safe Families & Communities of Ventura County is a collaborative non-profit organization providing inter-agency coordination, networking, advocacy, and public awareness. The collaborative meeting engages parents and community representatives to share resources, announcements, and community events.	April 5, 2023
Circle of Care One Step A la Vez	One Step A La Vez focuses on serving communities in the Santa Clara Valley by providing a safe environment for 13- to 19-year-olds and bridging the gaps of inequality while cultivating healthy individuals and community. Circle of Care is a monthly meeting with community leaders to share resources, network, and promote community events.	April 5, 2023
<b>Total community meetings and events</b>		<b>13</b>

### E. Community Relations – Speakers Bureau

The purpose of the Speakers Bureau is to educate and inform the public, partners, and external groups about GCHP and its mission in the community. In March and April, GCHP participated in four presentations via the Speakers Bureau:

Name of Organization	Description	Date
California Children's Services (CCS)	The presentation provided an overview of GCHP's benefits and services, and included a Q&A about the transportation and dental benefits.	March 8, 2023
Ventura County Public Health	The presentation provided an overview of GCHP's Enhanced Care Management (ECM) benefit and Community Supports (CS) services that included information on the care management referral process. The presentation included information on care management specialties, pediatric care management, and populations of focus.	April 4, 2023



Name of Organization	Description	Date
Tri-Counties Regional Center Presentation	In collaboration with Ventura County Human Services Agency, this presentation provided information about Medi-Cal redeterminations and outreach efforts in the community.	April 4, 2023 (English)
		April 6, 2023 (Spanish)
Alzheimer's Association California Central Coast Chapter	The presentation provided an overview of GCHP's benefits and services that included information about ECM/CS, transportation, and community resources.	April 10, 2023

## F. Community Relations – Community Insight Coalition

The Community Insight Coalition comes together virtually to identify and address barriers members may have when accessing care and community resources. The goal of the coalition is to work with our community partners and address shared challenges to strengthen our community.

In April, GCHP's Quality Improvement Team provided an overview of the well-child visits improvement project that includes information on preventative screenings, strategies on how to engage members, and resources. Additionally, the group discussed the Medi-Cal redetermination outreach initiative, shared strategies on how to engage the community, and opportunities to assist members with their redetermination inquiries.

The coalition's next meeting is scheduled for June 13, 2023.



## II. PLAN OPERATIONS

### A. Membership

	VCMC	CLINICAS	CMH	DIGNITY	PCP-OTHER	KAISER	AHP	ADMIN MEMBERS	NOT ASSIGNED
Mar-23	92,181	40,807	35,078	6,998	5,151	6,933	9,062	51,459	2,863
Feb-23	91,710	40,450	34,908	6,958	5,168	6,885	9,081	51,236	3,348
Jan-23	91,743	40,203	34,833	6,945	5,178	6,904	9,071	49,987	3,055

#### NOTE:

Unassigned members are those who have not been assigned to a Primary Care Provider (PCP) and have 30 days to choose one. If a member does not choose a PCP, GCHP will assign one to them.

#### Administrative Member Details

Category	March 2023
Total Administrative Members	51,459
Share of Cost (SOC)	617
Long-Term Care (LTC)	692
Breast and Cervical Cancer Treatment Program (BCCTP)	80
Hospice (REST-SVS)	21
Out of Area (Not in Ventura County)	488
<b>Other Health Care Coverage</b>	
DUALS (A, AB, ABD, AD, B, BD)	26,918
Commercial OHI (Removing Medicare, Medicare Retro Billing and Null)	24,077

#### NOTE:

The total number of members will not add up to the total number of Administrative Members, as members can be represented in multiple boxes. For example, a member can be both Share of Cost and Out of Area. They would be counted in both boxes.

#### METHODOLOGY

Administrative members for this report were identified as anyone with active coverage with the benefit code ADM01. Additional criteria follows:

- Share of Cost (SOC-AMT) > zeros
  - AID Code is not 6G, 0P, 0R, 0E, 0U, H5, T1, T3, R1 or 5L
- LTC members identified by AID codes 13, 23, and 63.
- BCCTP members identified by AID codes 0M, 0N, 0P, and 0W.
- Hospice members identified by the flag (REST-SVS) with values of 900, 901, 910, 911, 920, 921, 930, or 931.
- Out of Area members were identified by the following zip codes:

- a. Ventura Zip Codes include: 90265, 91304, 91307, 91311, 91319-20, 91358-62, 91377, 93000-12, 93015-16, 93020-24, 93030-36, 93040-44, 93060-66, 93094, 93099, 93225, 93252
  - b. If no residential address, the mailing address is used for this determination.
6. Other commercial insurance was identified by a current record of commercial insurance for the member.

## **B. Provider Contracting Update:**

### **Provider Network Contracting Initiatives**

#### **Provider Network Operations (PNO)**

PNO is steadily working on developing and implementing a Value Based Contracting (VBC) program that focuses on the value providers deliver to members rather than the volume of services. VBC is intended to incentivize providers to focus on the quality of care and cost effectiveness.

PNO continues to collaborate with Operations, Compliance, and our transportation provider, Ventura Transit System, to improve transportation services to members. We continue daily calls to troubleshoot and minimize issues, identify root causes, and improve processes.

PNO conducted a second CalAIM Technical Assistance training on March 9, 2023. The training focused on data sharing requirements. PNO collaborated and presented with a representative from the GCHP IT team. The third Technical Assistance training, which is expected to take place in the second quarter, will focus on providing education to interested organizations on how to complete provider applications for Community Supports (CS).

Our team continues to support and provide deliverables for DHCS program initiatives, GCHP projects, provider contracting, updates to policies and procedures, provider onboarding, and communications.

### **Provider Network Developments: March. 1-31, 2023**

<b>Provider Additions Fulfilling Network Gaps</b>	<b>Count</b>
Interim Letter of Agreement (LOA)	4
Vascular Surgeon	1
Specialist Group	1
Spine Surgeon	1
DME	1
Cancer Screening Lab	1
Rheumatologist	1

Provider Network Full Terminations	Count
Occupational Therapist	2
Physical Therapist	4
Ophthalmology	1
Speech Language Therapist	2
Diagnostic Radiology	2
Sleep Medicine	1
OB-GYN	1
Internal Medicine	1

*Additional Network Developments:*

- Additions: 55
- Terminations: 24

Note: The majority of providers were hospital-based, tertiary and ancillary providers; no significant impact to the network.

GCHP Provider Network Additions and Total Counts by Provider Type			
Provider Type	Network Additions		Total Counts
	Jan-23	Feb-23	
<b>Hospitals:</b>	<b>0</b>	<b>0</b>	<b>25</b>
Acute Care	0	0	19
Long-Term Acute Care (LTAC)	0	0	1
Tertiary	0	0	5
<b>Providers:</b>	<b>33</b>	<b>20</b>	<b>5,287</b>
Primary Care Providers (PCPs) & Mid-levels	0	6	451
Specialists	33	14	4,709
Hospitalists	0	0	167
<b>Ancillary:</b>	<b>15</b>	<b>1</b>	<b>595</b>
Ambulatory Surgery Center (ASC)	0	0	7
Community-Based Adult Services (CBAS)	0	0	14
Durable Medical Equipment (DME)	0	0	92
Home Health	0	0	25
Hospice	0	0	23
Laboratory	0	0	40
Optometry	0	1	95
Occupational Therapy (OT) / Physical Therapy (PT) / Speech Therapy (ST)	1	0	142
Radiology / Imaging	0	0	62

Skilled Nursing Facility (SNF) / Long-Term Care (LTC) / Congregate Living Facility (CLF) / Intermediate Care Facility (ICF)	0	0	83
Behavioral Health	14	0	379

### C. Delegation Oversight

GCHP is contractually required to perform oversight of all functions delegated through subcontracting arrangements. Oversight includes, but is not limited to:

- Monitoring / reviewing routine submissions from subcontractor
- Conducting onsite audits
- Issuing a Corrective Action Plan (CAP) when deficiencies are identified

*\*Ongoing monitoring denotes the delegate is not making progress on a CAP issued and/or audit results were unsatisfactory and GCHP is required to monitor the delegate closely as it is a risk to GCHP when delegates are unable to comply.*

Compliance will continue to monitor all CAPs. GCHP's goal is to ensure compliance is achieved and sustained by its delegates. It is a DHCS requirement for GCHP to hold all delegates accountable. The oversight activities conducted by GCHP are evaluated during the annual DHCS medical audit. DHCS auditors review GCHP's policies and procedures, audit tools, audit methodology, and audits conducted, and CAPs issued by GCHP during the audit period. DHCS continues to emphasize the high level of responsibility plans have in the oversight of their delegates.

The following table includes audits and CAPs that are open and closed. Closed audits are removed after they are reported to the Commission. The table reflects changes in activity through March 31, 2023.

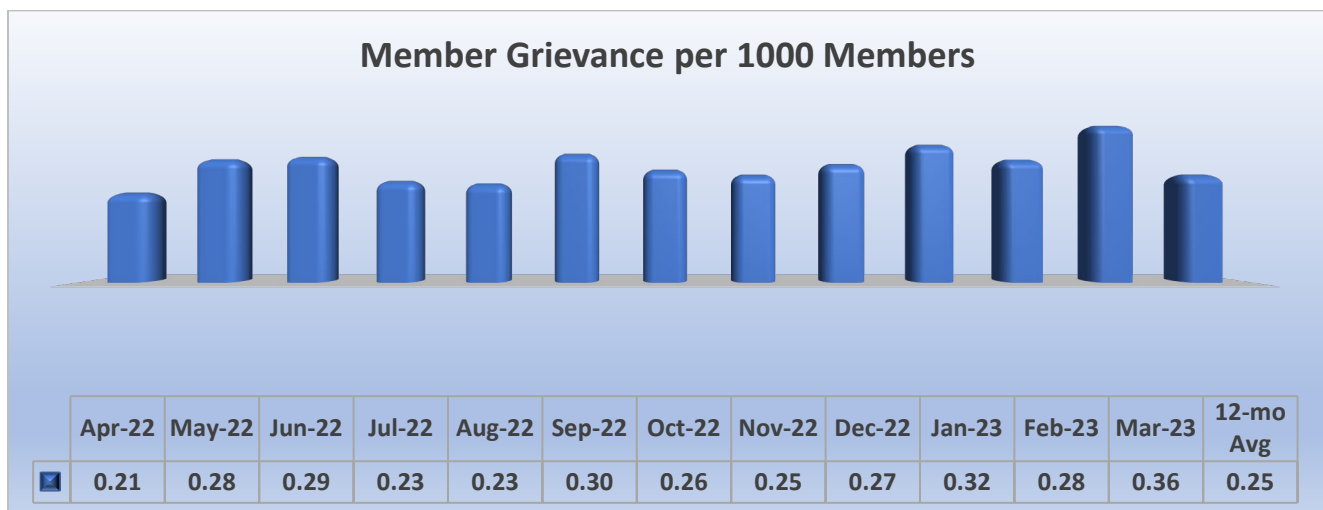
Delegate	Audit Year / Type	Audit Status	Date CAP Issued	Date CAP Closed	Notes
AHP	2022 Annual PDR Claims Audit	Open	10/11/22	Under CAP	
Carelon (formerly Beacon)	2022 Annual Claims Audit	Open	6/22/22	Under CAP	
Carelon (formerly Beacon)	2022 Call Center Audit	Open	8/26/22		
Carelon (formerly Beacon)	2023 Claims Audit	Scheduled			

Delegate	Audit Year / Type	Audit Status	Date CAP Issued	Date CAP Closed	Notes
Carelon (formerly Beacon)	Quarterly Utilization Management Audit	Closed	2/17/23	3/24/23	
CDCR	Quarterly Utilization Management Audit	Open	3/13/23	Under CAP	
CDCR	2023 Annual Call Center Audit	Scheduled			
CDCR	2023 Annual Credentialing and Recredentialing Audit	Closed	N/A	N/A	Audit Completed – No Findings
CMHS	2023 Annual Credentialing and Recredentialing Audit	Open	2/22/23	Under CAP	
Conduent	2017 Annual Claims Audit	Open	12/28/17	Under CAP	Issue will not be resolved until new claims platform conversion
Conduent	2021 Call Center Audit	Closed	2/25/22	1/23/23	
Conduent	2022 Annual Claims Audit	Open	8/31/22	Under CAP	
Conduent	2020 Call Center Audit	Closed	1/20/21	1/25/23	
Conduent	2022 Call Center Audit	Closed	2/1/23	3/8/23	
UCLA Medical Group	2023 Focused Credentialing and Recredentialing Audit	Scheduled			
USC Care Medical Group	2023 Annual Credentialing and Recredentialing Audit	Scheduled			
VCMC	2023 Annual Credentialing and Recredentialing Audit	Scheduled			

Delegate	Audit Year / Type	Audit Status	Date CAP Issued	Date CAP Closed	Notes
VSP	2022 Annual Claims Audit	Open	12/7/22	Under CAP	
VTs	2023 Annual Call Center Audit	In progress			
VTs	2023 Quarterly Audit – Credentialing and Subcontracting	In progress			
VTs	2022 Annual NMT/NEMT Audit	Open	11/17/22	Under CAP	
VTs	2021 Call Center Focused Audit	Closed	2/2/22	2/11/23	
VTs	2022 Call Center Audit	Open	5/26/22	Under CAP	
VTs	2022 Call Center Focused Audit	Open	10/27/22		
VTs	NMT Scheduling Grievances CAP	Open	5/6/22	Under CAP	
VTs	Subcontracting CAP	Open	7/22/22	Under CAP	
<b>Privacy &amp; Security CAPs</b>					
Delegate	CAP Type	Status	Date CAP Issued	Date CAP Closed	Notes
Conduent	Call Center Recordings Website	Closed	1/6/21	1/25/23	
<b>Operational CAPs</b>					
Delegate	CAP Type	Status	Date CAP Issued	Date CAP Closed	Notes
Conduent	IKA Inventory, KWIK Queue, APL 21-002	Open	4/28/21	N/A	IKA Inventory and KWIK Queue Findings Closed
Conduent	Sept. 23, 2021 CAP	Open	9/23/21	N/A	
Conduent	Oct. 2021 CAPs	Open	11/22/21	N/A	
Conduent	Nov. 2021 Service Level Agreement (SLA)	Open	1/28/22	N/A	

Delegate	CAP Type	Status	Date CAP Issued	Date CAP Closed	Notes
Conduent	Jan. 2021 Contract Deficiencies	Open	2/4/22	N/A	
Conduent	Dec. 2021 Contract Deficiencies	Open	2/11/22	N/A	
Conduent	March 2022 SLA Deficiencies & Findings	Open	3/11/22	N/A	
Conduent	Jan. 2022 SLA CAP	Open	3/25/22	N/A	
Conduent	Feb. 2022 SLA CAP	Open	4/15/22	N/A	
Conduent	March 2022 SLA CAP	Open	6/17/22	N/A	

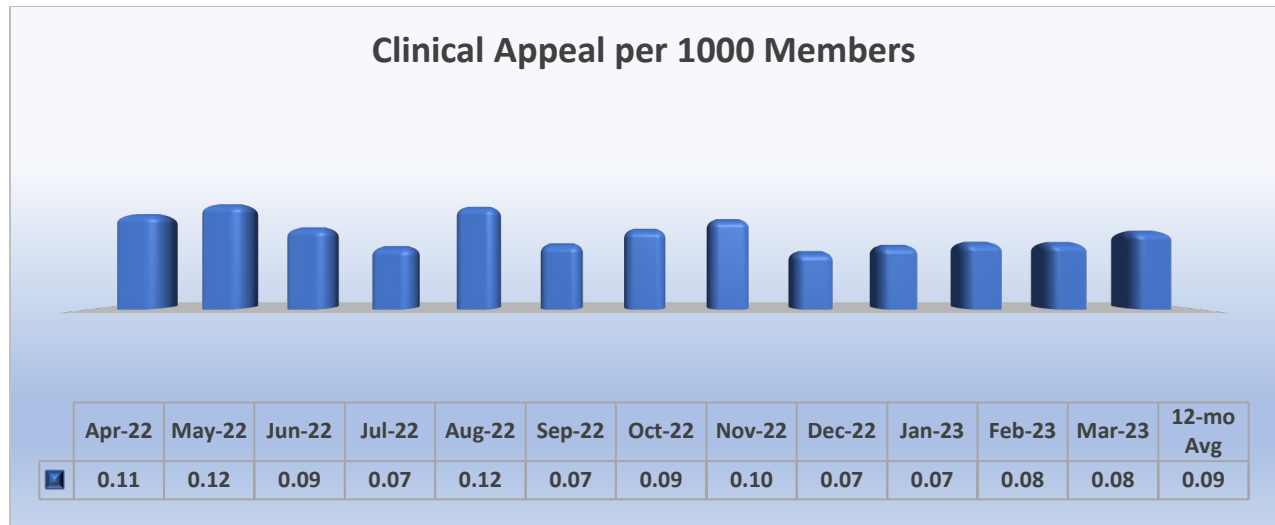
#### D. GRIEVANCE AND APPEALS



#### Member Grievances per 1,000 Members

The data show GCHP's volume of grievances has increased. In March, GCHP received 91 member grievances. Overall, the volume is still relatively low, compared to the number of enrolled members. The 12-month average of enrolled members is 237,854, with an average annual grievance rate of .25 grievances per 1,000 members.

In March 2023, the top reason reported was "Quality of Care," which is related to member concerns about the care they received from their providers.



### Clinical Appeals per 1,000 Members

The data comparison volume is based on the 12-month average of .09 appeals per 1,000 members.

In March 2023, GCHP received 19 clinical appeals:

1. Nine were overturned
2. One was partially overturned
3. Three were upheld
4. Two were withdrawn
5. Four were in progress

### RECOMMENDATION:

Receive and File



## **AGENDA ITEM NO. 8**

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Felix L. Nuñez, MD, MPH, Chief Medical Officer

DATE: April 24, 2023

SUBJECT: Chief Medical Officer (CMO) Report

### **Quality Update**

#### **Measurement Year (“MY”) 2022 Managed Care Accountability Set (“MCAS”) Results**

In conjunction with Inovalon, the Quality Improvement (“QI”) Team is in the final phase of medical record abstraction and administrative data refreshes for the MCAS Measurement Year 2022 reporting project. Final rates are due to the Healthcare Effectiveness Data and Information Set (“HEDIS”) Compliance Auditor on June 1, 2023, with final rate approval to be complete by June 15, 2023. Rate reporting to the Commission is forthcoming.

#### **NCQA Health Plan and Health Equity Accreditation Update**

Gold Coast Health Plan (“GCHP”) aims to achieve National Committee for Quality Assurance (“NCQA”) Health Plan Accreditation (“HPA”) and Health Equity Accreditation (“HEA”) by January 2026, with a target survey submission to NCQA in June 2025. GCHP has contracted with an external consulting entity, The Mihalik Group (“TMG”), to obtain expert guidance and services that will help the organization through the accreditation process. Additionally, project and program management support from Enterprise Project Management Office (“EPMO”) have been assigned to manage the project and coordinate with business areas. To address each of the HPA and HEA standards, 8 workgroups have been formed dedicated to Health Equity (“HE”), Quality Improvement (“QI”), Network Management (“NET”), Member Experience (“ME”), Utilization Management (“UM”), Credentialing (“CR”), Population Health Management (“PHM”), and delegation. These work groups include business owners, subject matter experts, stakeholders, and project team members. Work group members received in-depth training from TMG consultants to promote a strong understanding of the NCQA requirements. Once trained, they gathered evidence and identified documents to demonstrate compliance with the requirements. All evidence was submitted to TMG consultants for initial evaluation of the current state of NCQA compliance. TMG’s evaluation resulted in a gap assessment report and remediation workplan.

The HPA final assessment report and workplan was delivered in January 2023, and the HEA final gap assessment report and workplan is expected to be delivered in mid-April 2023. These two deliverables will drive the remediation work for the NCQA project team and workgroups. TMG consultants, NCQA project team, and workgroups will work together to remediate identified gaps within the workplan timeline. Each workgroup meets on a biweekly basis to review specific items in the gap report and workplan, focusing on revising policies

and procedures first, then reports, then systems. In addition to working closely with business stakeholders, the NCQA project team is working closely with the technical and IT stakeholders for systems work. A comprehensive requirements document capturing all HPA and HEA standards was disseminated to impacted IT groups to share a complete view of all IT and systems-related work for NCQA.

### February 2023 QI Collaboration Meeting

On February 15, 2023, the QI team led a successful QI Collaboration Meeting with GCHP staff and attendees across the provider network, including medical directors, clinic managers/administrators and QI leads. Dr. Felix L. Nuñez was introduced as the new GCHP Chief Medical Officer. The agenda included sharing of 2023 Managed Care Accountability Set (“MCAS”) measures, and clinical education presentations on topical fluoride varnish and lead screening in children.

Updates to the 2023 Member Incentive programs were presented, along with Q4 2022 clinic participation awards for highest volume of submissions to Clinicas Del Camino Real – Paseo Camarillo (child/adolescent well care); Mandalay Bay Women and Children’s Clinic (cervical cancer screening); and Las Islas Family Medical Group (asthma management). The clinics were treated to lunch for their impressive participation in this member engagement effort.

Pharmacy updates, including Medi-Cal Rx changes and Blood Pressure Monitors & Cuffs Coverage were provided, in addition to sharing new program benefits for members including Community Health Workers (“CHW”), Doula Benefit, Healthwise Resources, Dyadic Care and the Student Behavioral Health Incentive Program.

### 2022 Member Incentives Program Evaluation

#### *Member Incentives offered throughout 2022*

In 2022, QI continued three member incentive programs focusing on asthma monitoring and maintenance, cervical cancer screening, and well-child visits.

- Asthma Monitoring & Maintenance (AMR measure)
  - Participation rate of eligible population was 3.5%, and participation rate by mailing was 12.8%.
  - 45 members received the incentive in 2022.
  - The preliminary MY 2022\* AMR rate increased 2.04% points from 51.22% in MY 2021 to 53.26% in MY 2022.
  - The member incentive was retired for 2023 due to overall low participation and the intent to shift the AMR strategy to provider-focused interventions.
- Cervical Cancer Screening (CCS measure)
  - Although participation has doubled since inception in late 2019, it remains low (.84% of eligible population, 1.6% by mailing).
  - 336 members received the incentive in 2022.

- Preliminary MY 2022\* CCS rate declined 2.4% points from 59.37% in MY 2021 to 56.93% in MY 2022.
- Well-Child Visits (WCV measure)
  - Participation has nearly increase three-fold since inception in late 2019 and continues to grow significantly.
  - 3,690 members received the incentive in 2022 (3.1% of the eligible population, 5.3% by mailing).
  - Preliminary MY 2022\* WCV rate increased 7.79% points from 33.94% in MY 2021 to 41.73% in MY 2022
  - QI has increased the incentive amount from \$20 to \$25 for 2023.

\*Based on current MY 2022 preliminary rates

#### *Member Incentives offered beginning October 2022*

QI introduced two new member incentives in October 2022 to close care gaps as part of the “Q4 MCAS Push.”

- Diabetes – Hemoglobin A1c Testing
  - Participation from October-December 2022 was .93% of eligible population and 2% by mailing.
  - 74 members received the gift card in 2022.
  - Hemoglobin A1c poor control decreased by 2.68% from 2021 to 2022\* (lower rate is better).
  - This incentive has been retired as GCHP enters into a pilot behavioral economics program with Wellth. QI will explore the ability to offer an HbA1c incentive through the Wellth pilot for enrolled members.
- Breast Cancer Screening
  - Participation from October-December 2022 was 1.5% of eligible population.
  - Breast cancer screening rate increased by 3.22% from 2021 to 2022\* and is above Minimum Performance Level (“MPL”) for MY 2022. In MY 2020 and 2021, breast cancer screening was below MPL.
  - This member incentive will continue in 2023.

- \*Based on current MY 2022 preliminary rates

#### *Clinic Point of Care Member Incentives offered in 2022*

Three point of care member incentives were initiated and/or offered at targeted clinic locations for cervical cancer screening and well-child visits in 2022. Expansion to other clinic locations with available resources to support point of care member incentives is planned for 2023.

- Cervical Cancer Screening
  - Magnolia Family Medical Clinic

- Offered throughout 2022
  - Success rate of 3%
  - Increase in cervical cancer screening rate by .74%
- Las Islas Family Medical Group
  - Began November 2022
  - Success rate of 7.64% normalized over 12 months
- Well-Child Visits
  - Mandalay Bay Women & Children's Group
    - Began October 2022
    - Success rate of 39.4% normalized over 12 months
    - Increase in well-child visit rate by 4.31%

### *Next Steps*

Based on outcomes of the 2022 member incentive programs, strategic expansion of the programs is being initiated by QI including continuation of the breast cancer screening incentive as well as expansion of point of care member incentives to new clinic locations.

### **Medi-Cal Rx Update**

As of February 24, 2023, the Department of Health Care Services ("DHCS") has completed the reinstatement of prior authorizations ("PAs") for all therapeutic drug classes except for enteral nutrition.

As of March 24, 2023, DHCS has started to implement the retirement of the transition policy. This will retire the transition policy which allowed beneficiaries 22 years of age and older to continue their medications based on historical paid claims data or a grandfathered PA that was previously approved prior to Medi-Cal Rx. If a beneficiary needs to continue therapy for a medication that is in one of these categories, a new PA will need to be submitted or the provider may consider an alternative therapy that's covered in the [Contract Drugs List \(CDL\)](#).

DHCS has also enabled extended duration/multi-year PAs for up to five years for certain maintenance medications used for chronic conditions. Qualified prescriptions have been automatically extended.

These changes will not affect beneficiaries under the age of 22 at this time. Reinstating prior authorizations for beneficiaries 21 years of age and younger and all enteral nutrition products to begin no sooner than July 2023.

DHCS will continue to provide more information regarding the ongoing reinstatement process and the retirement of the transition policy.

Communication about the Medi-Cal Rx reinstatement changes have been shared in the Pharmacy newsletter, Provider Operations Bulletin newsletter, and in multiple GCHP committees to provide awareness to the GCHP team and providers to enable us to help our members. We have shared FAQ sheets and the appropriate resources to member services at the call center, the providers, as well as the internal GCHP team. GCHP will continue to

work closely with DHCS and Medi-Cal Rx clinical liaisons to assist members in accessing their medications.

Medi-Cal Rx Reinstatement Resources:

[Medi-Cal Rx Reinstatement](#) (select **Medi-Cal Rx Reinstatement** from the menu)

[30-Day Countdown – Phase III, Lift 1: Retirement of the Transition Policy for Beneficiaries 22 Years of Age and Older](#)

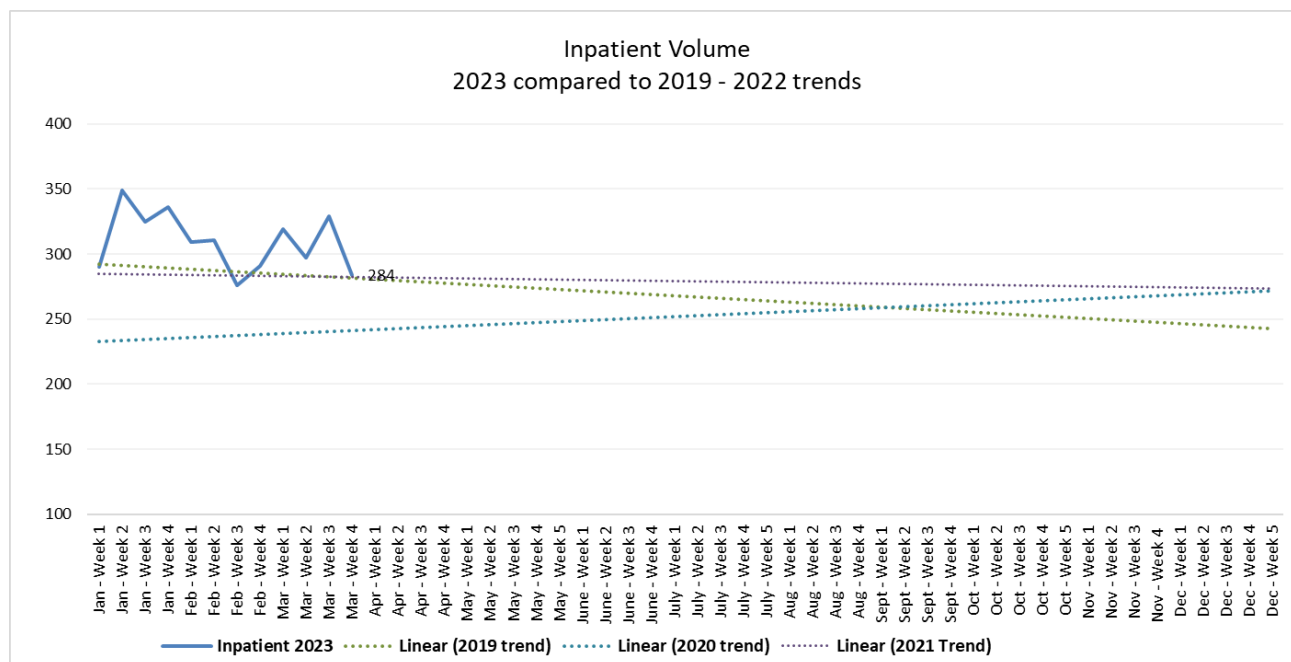
[30-Day Countdown – Phase III, Lift 2: Retirement of the Transition Policy for Beneficiaries 22 Years of Age and Older](#)

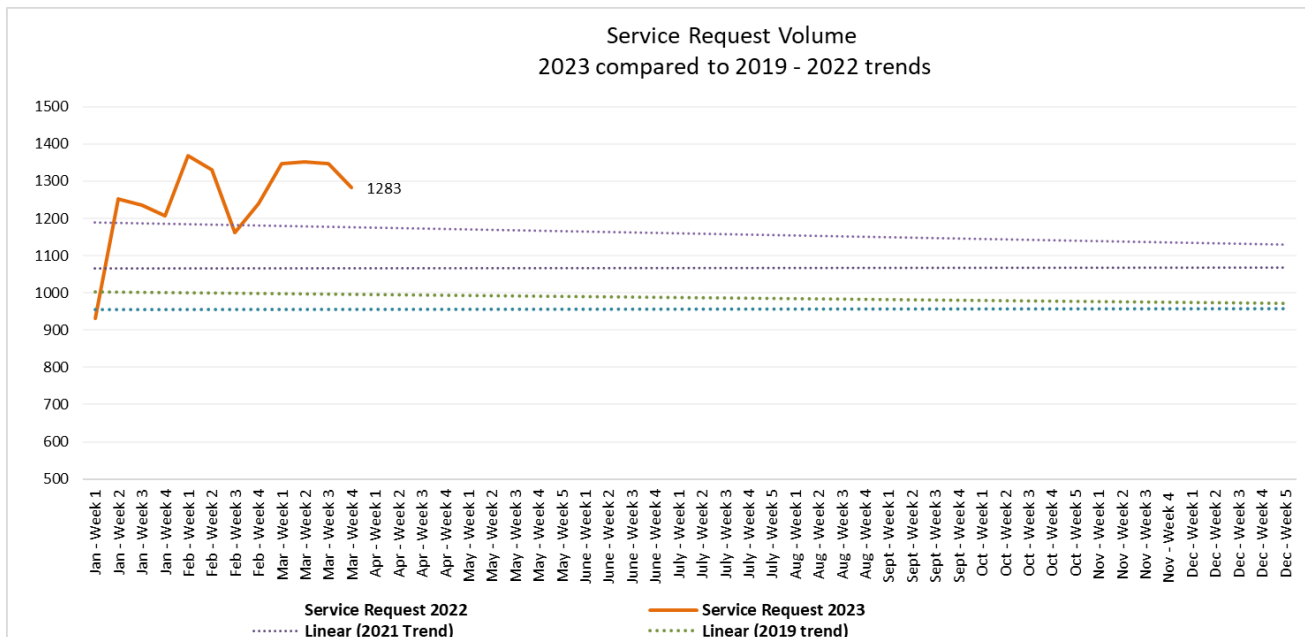
[Extended Duration Prior Authorizations for Maintenance Medications](#)

## Utilization Update

### Service Requests

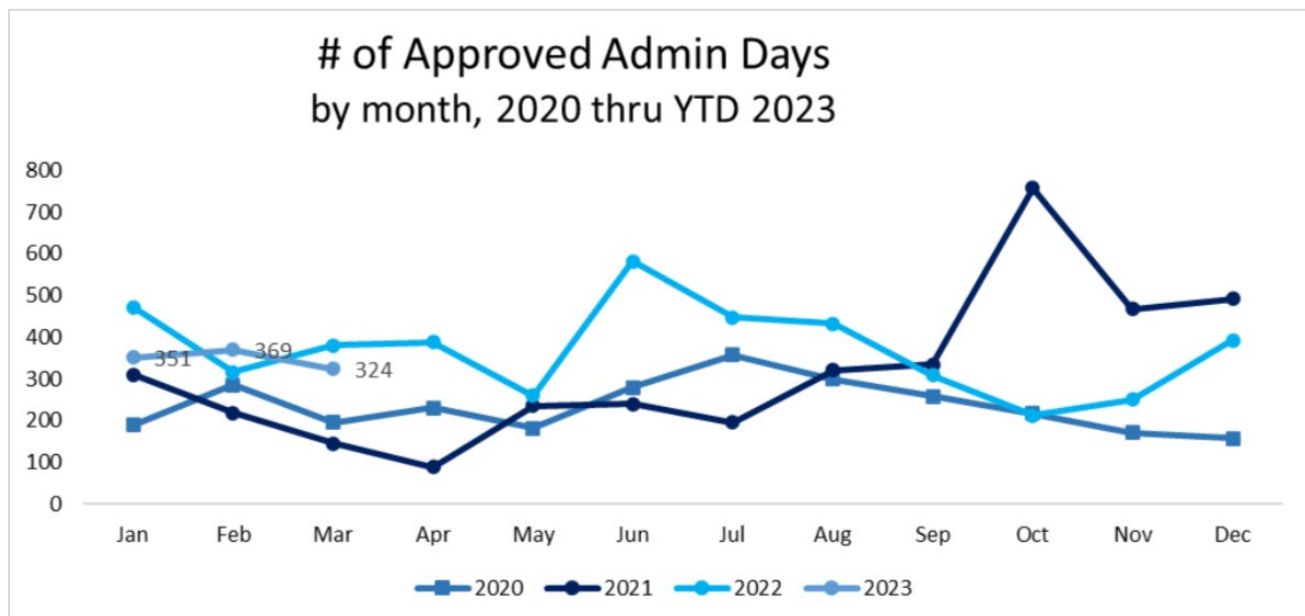
For Q4, overall requests for services were up by about 6% for CY 2022 compared with CY 2021. Q4 CY 2022 inpatient request volume increased by 7% and outpatient service request volume increased by 5%.

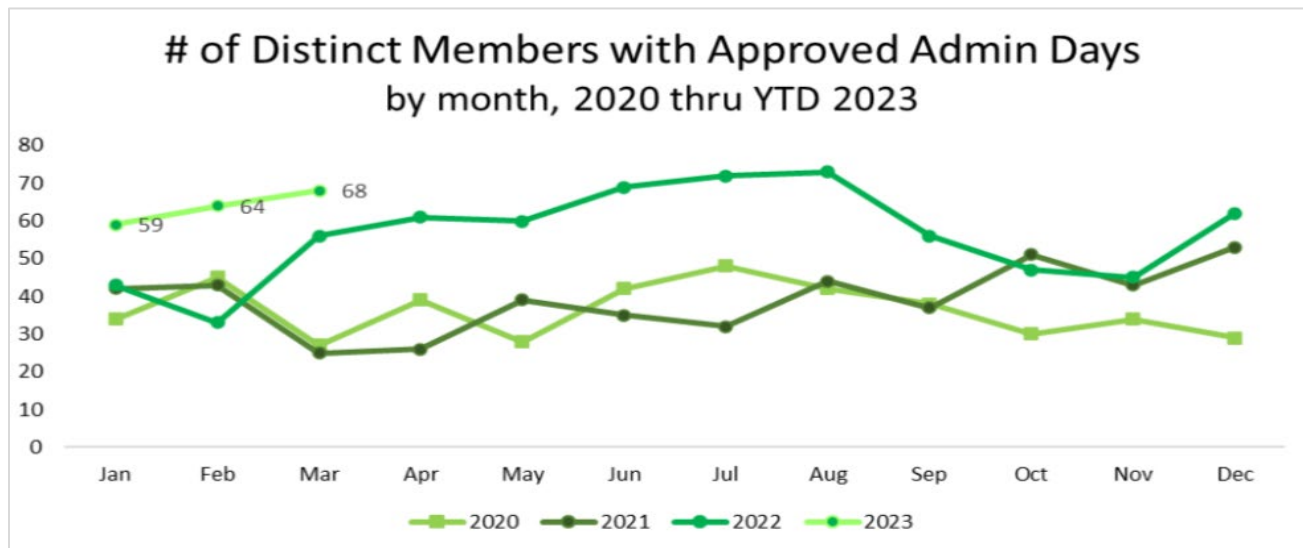




## Administrative Days

For the first three months of CY 2023, the number of Administrative Days used declined slightly compared with the same time period in CY 2022 (11% decrease). The number of members utilizing Administrative Days increased by 45% for the same period (191 compared with 132).

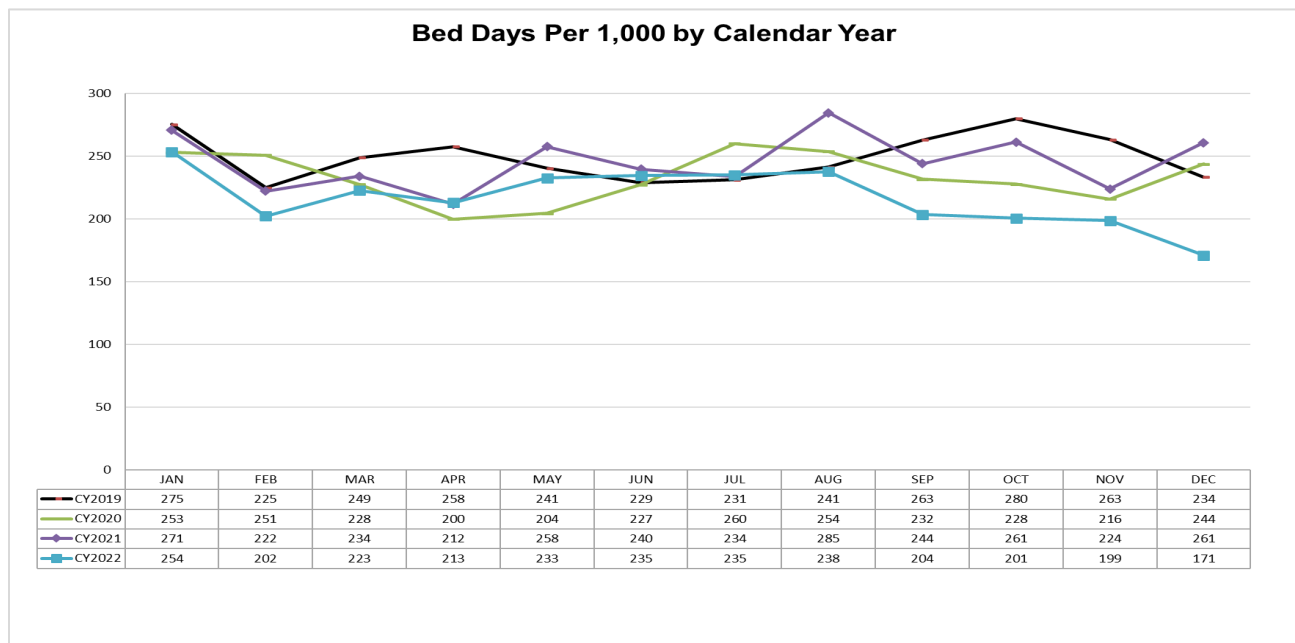




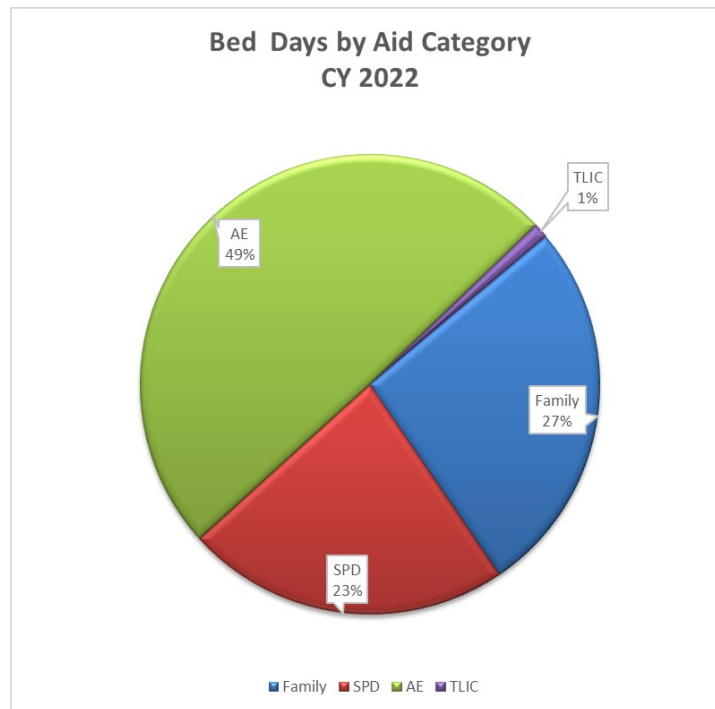
## Bed Days/1000 Members

Bed days for Q4 CY 2022 are about 24% lower than Q4 CY 2021 (190/1000 members compared with 249/1000 members).

Nearly half of all bed days are utilized by Adult Expansion (“AE”) members (49%), followed by Family aid code groups (27%) and Senior and Persons with Disabilities (“SPD”) (23%). Low-income children (“TLIC”) utilization is 1%.

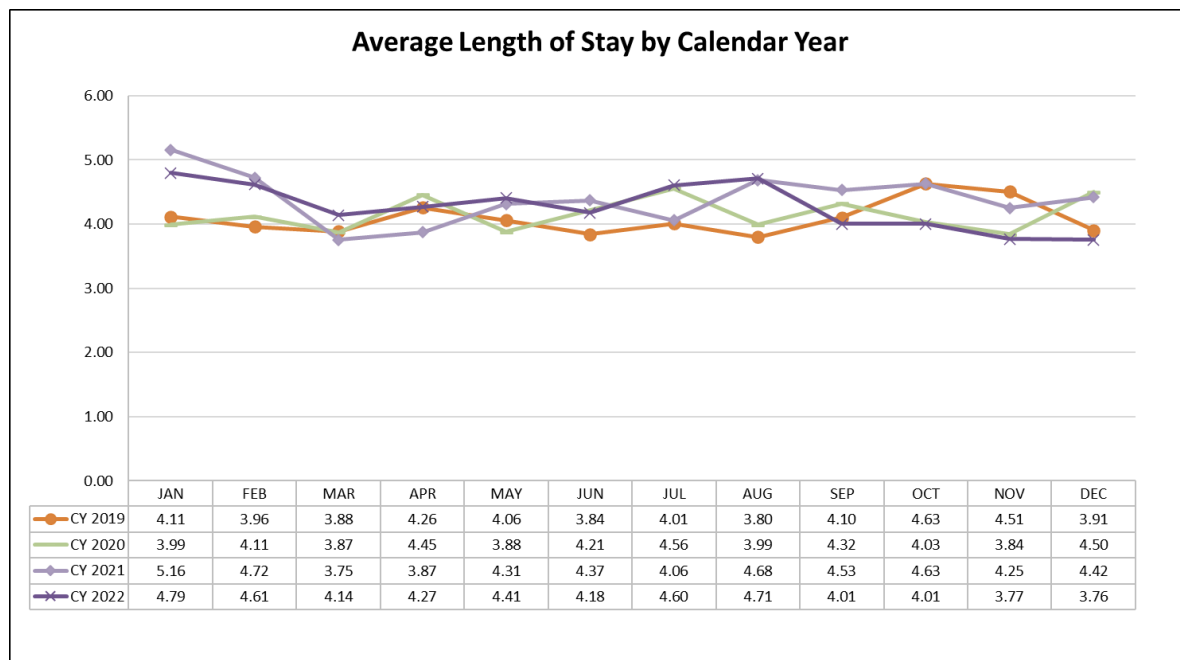






### Average Length of Stay (“ALOS”)

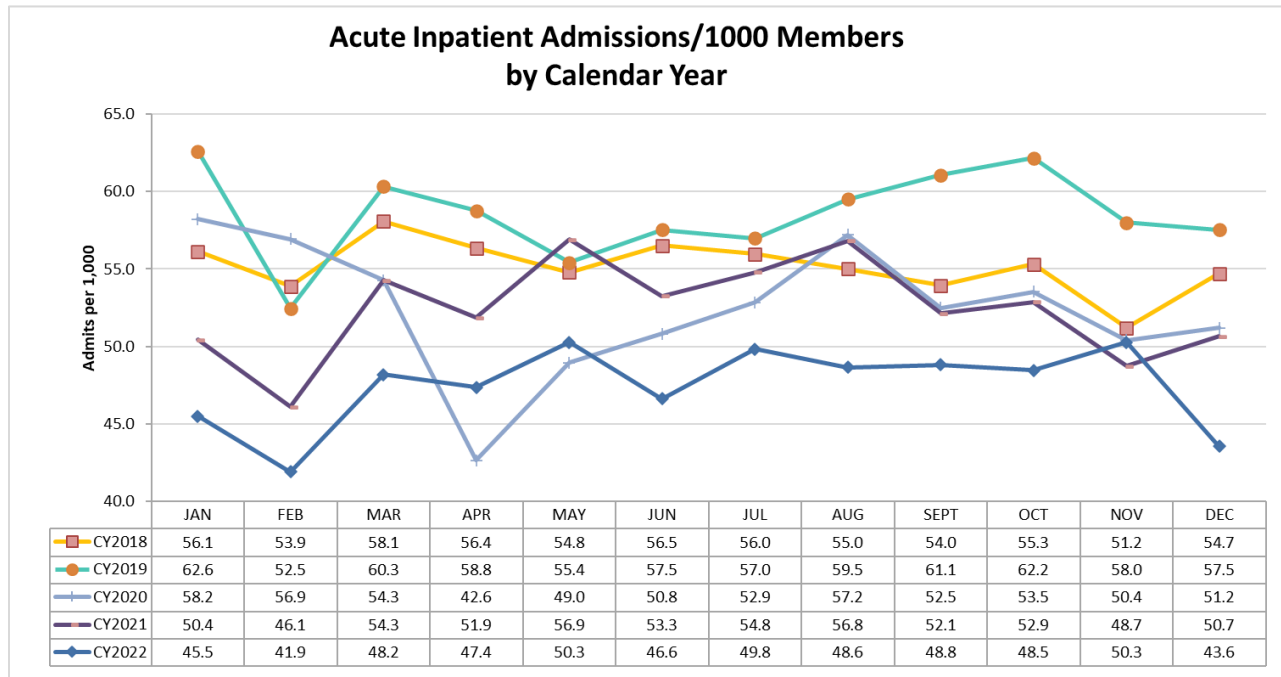
Average length of stay for Q4 CY 2022 decreased to 3.84 days compared to an ALOS of 4.43 for Q4 CY 2021 (13 % decrease).





## Admits/1000 Members

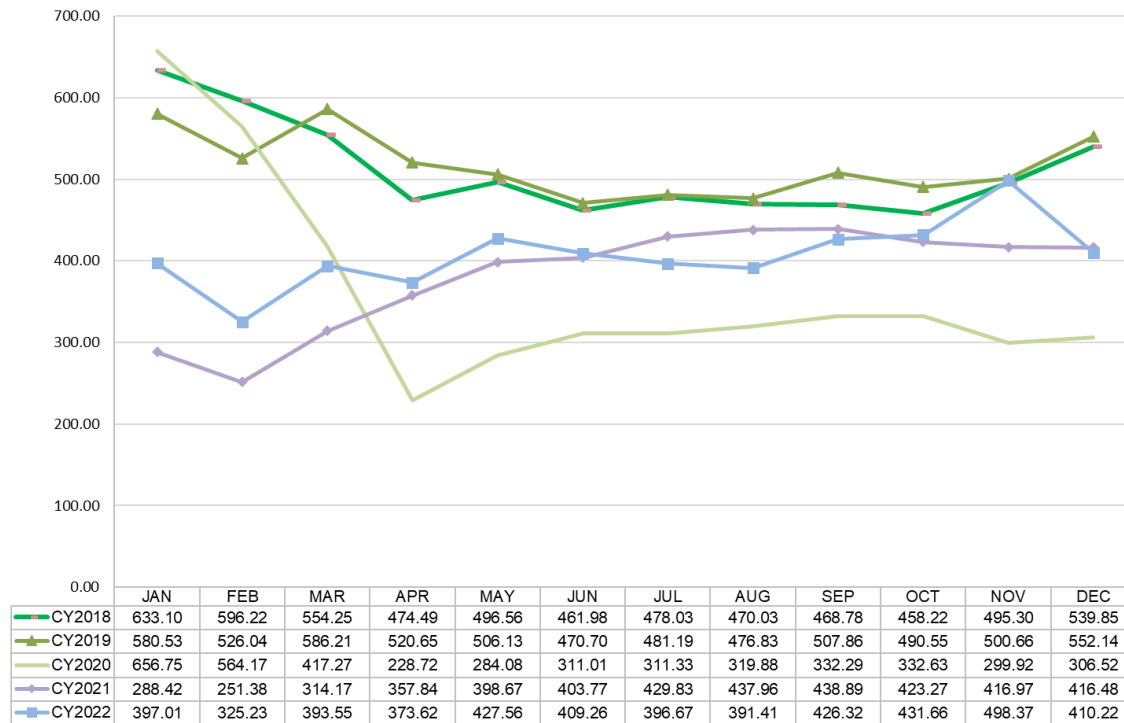
Admits/1000 members for Q4 CY 2022 decreased by about 7% compared with Q4 CY 2021 (47 compared with 51).



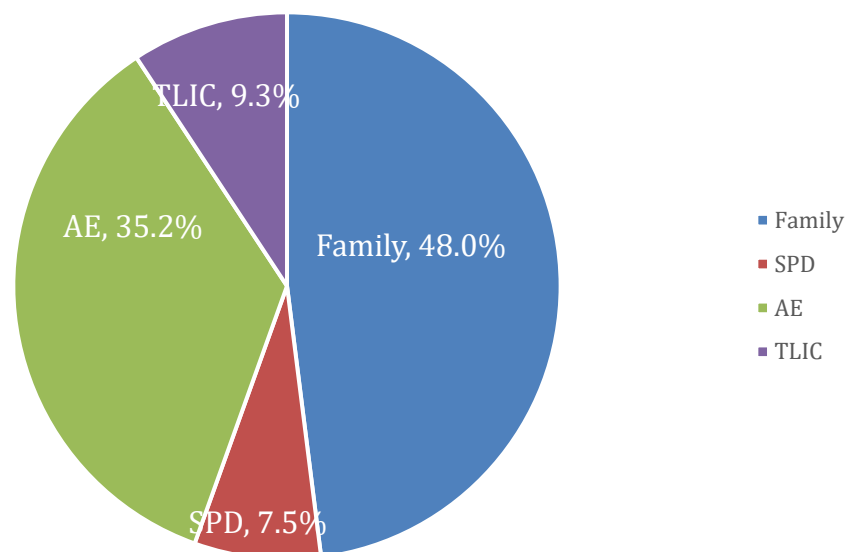
## Emergency Department (“ED”) Utilization/1000 Members

After significant declines in ED utilization due to COVID-19, ED utilization/1000 members increased by 7% in Q4 CY 2022 compared with Q4 CY 2021 (447 compared with 419). The Family aid code group represented 48% of ED utilization followed by AE (35.2%), TLIC (9.3%) and SPD (7.5%).

### ER Utilization Per 1,000 by Calendar Year



### ER cases by Aid Category Calendar Year 2022



## **Readmission Rate**

The quarterly readmission rate for Q4 CY 2022 averaged 7.3% compared with the Q4 CY 2021 average of 9.5%.

## **AGENDA ITEM NO. 9**

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Michael Murguia, Executive Director of Human Resources

DATE: April 24, 2023

SUBJECT: Human Resources (H.R.) Report

### **Human Resources Activities**

We have put our best effort in to our recruiting this year with excellent results. Year to date we have staffed fifty-two budgeted positions with an average placement time of 84 days per hire. While we set a goal to have all budgeted headcount filled by March 15<sup>th</sup>, we narrowly missed this goal by one hire. At this time, all budgeted positions have been filled. During this year, we have had remarkable success with our employee referral program “Expedition Gold,” and we have had fifteen hires through this program. Our strategy with our recruiting partner “The Next Thing” has worked very well as we have reduced our reliance on search firms to only 5%. We have also initiated a quality survey for feedback from our hiring managers for services from our recruiting team. On average our survey results are rated as “Very good” for our recruiting process.

Our attrition rate continues to be exceptionally low at 6.8% and is dramatically lower than the 16% we were at one year ago. We attribute this to many initiatives we have implemented in the past year. This includes our increased communications with our staff that now includes monthly all staff meetings. We survey staff after these sessions and on a scale of 1-5 (5 being highest) our surveys come back on average at 4.3. This validates that the information is well received by our employees. We continue to monitor our compensation as it relates to an extremely competitive market and adjust where necessary. We also offer a very comprehensive package of benefits to our employees. While we know many services have all increased from a cost-of-living perspective so has the cost of benefits. As a commitment to our employee value proposition, we absorbed the increase of the cost of our benefits rather than pass that increase on to their employee premiums. We believe all these activities and decisions have contributed to our low attrition rate of 6.8%.

We have focused on enhancing our On Boarding process for our new employees. We have redesigned our Orientation slides and are now having a different representative from our Leadership team (Director and above population) participate as a host at each Orientation session with our new hires. We have designed day one to be about our Plan

and our goals, quality and our commitment to our members. We have added a second day for our new hires to review benefits and choices for coverages. We are just starting these changes to our orientation process and are hopeful this will be a more fulfilling experience for our new hires. HR is also partnering with each function to assist in the development of the functional on boarding process. It is critical that there are strong processes within each function to welcome and on-board employees appropriately. Our CEO, Nick Liguori, continues to welcome all new hires with a two-hour session to talk about our goals and strategy as a health plan.

In April we are initiating our performance review process that will start with staff and their self-assessments. This process will complete in late June with all performance reviews and compensation rewards being presented to staff. It is especially important that we have our goals communicated to our staff in July as we start our new budget cycle, and we will be designing a goal communications strategy to cascade our goals to all employees.

We are highly active in two executive searches for vacancies for our Chief Financial Officer role and our Chief Innovation position. Our search for our CFO has not progressed as well as we would like as it is an extremely competitive market currently for CFO's. We are adjusting our strategy for this search and believe we will make better progress in the next month or so. The Innovation Chief search has gone much better, and we are conducting in person interviews with the Executive team starting the week of April 17<sup>th</sup>. We have narrowed this search down to three extraordinarily strong candidates with deep Health Plan experience. We should be extending an offer in the May timeframe.

Lastly, we have strengthened our Human Resources organization with the hiring of Paul Aguilar as our Executive Director of Human Resources. Paul is a Ventura County native with a wealth of HR experience and was most recently with Thermal Fischer Scientific as a Regional HR leader. Paul will be leading Talent Acquisition and our HR Business Partners organization. Paul earned his bachelor's degree from California State university, Chico in Business Administration and Accounting and his master's degree from Pepperdine University in Organizational Development.

### **Attrition and Case Update**

We have had five voluntary resignations and no involuntary resignations since January. We have one new case

### **Facilities / Office Updates**

GCHP Facilities team is dedicated to keeping our facilities safe and always available for employee visits:

- Protocols for the flow of employees who visit the office for supplies, printing, and other business-related activities

- Protocols for our new entrance and exit process requiring temperature checks and registration in our Proxy click system is working very well
- Making any necessary modifications to improve air quality inside the buildings

**RECOMMENDATION:**

Receive and file the report.

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